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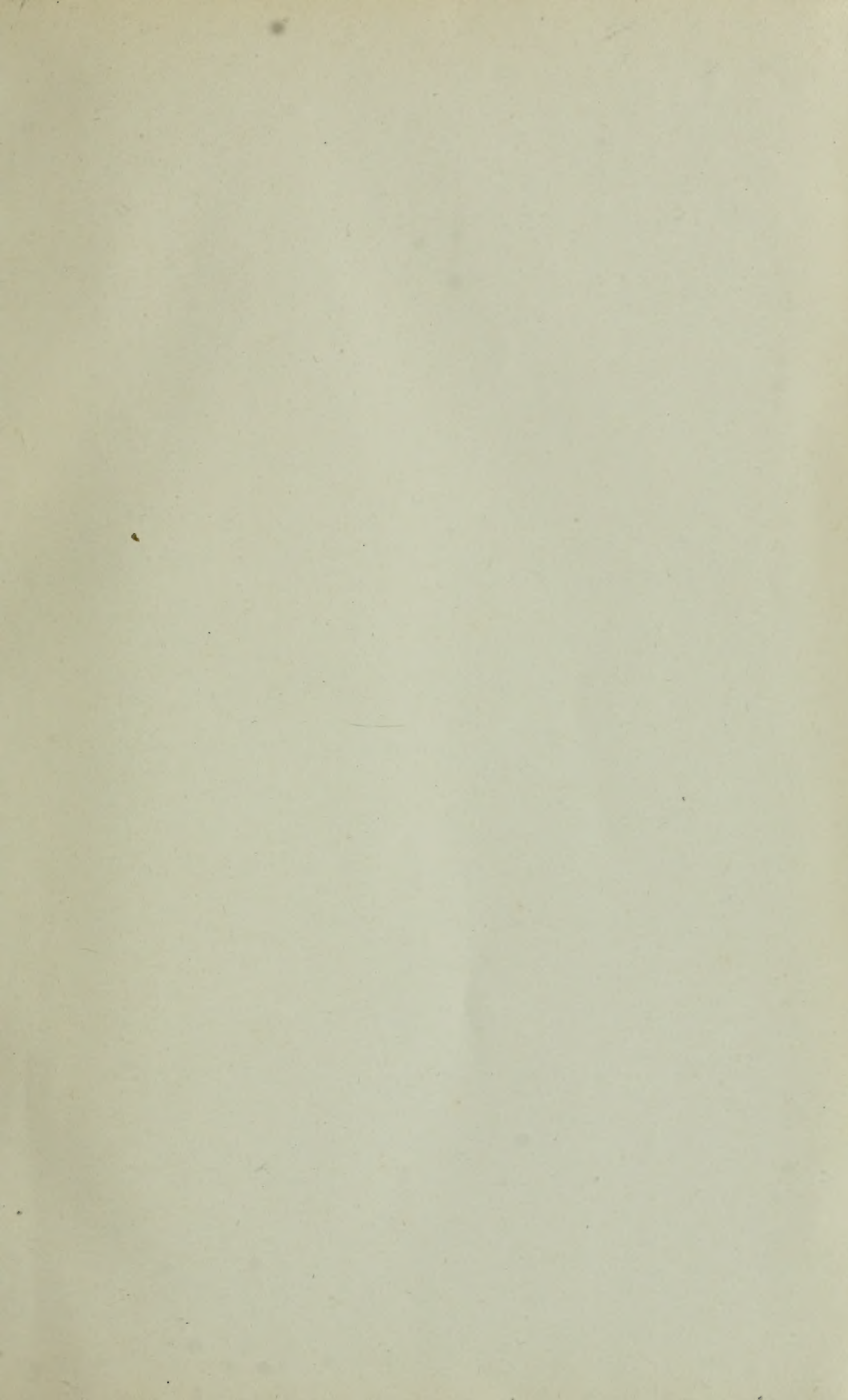
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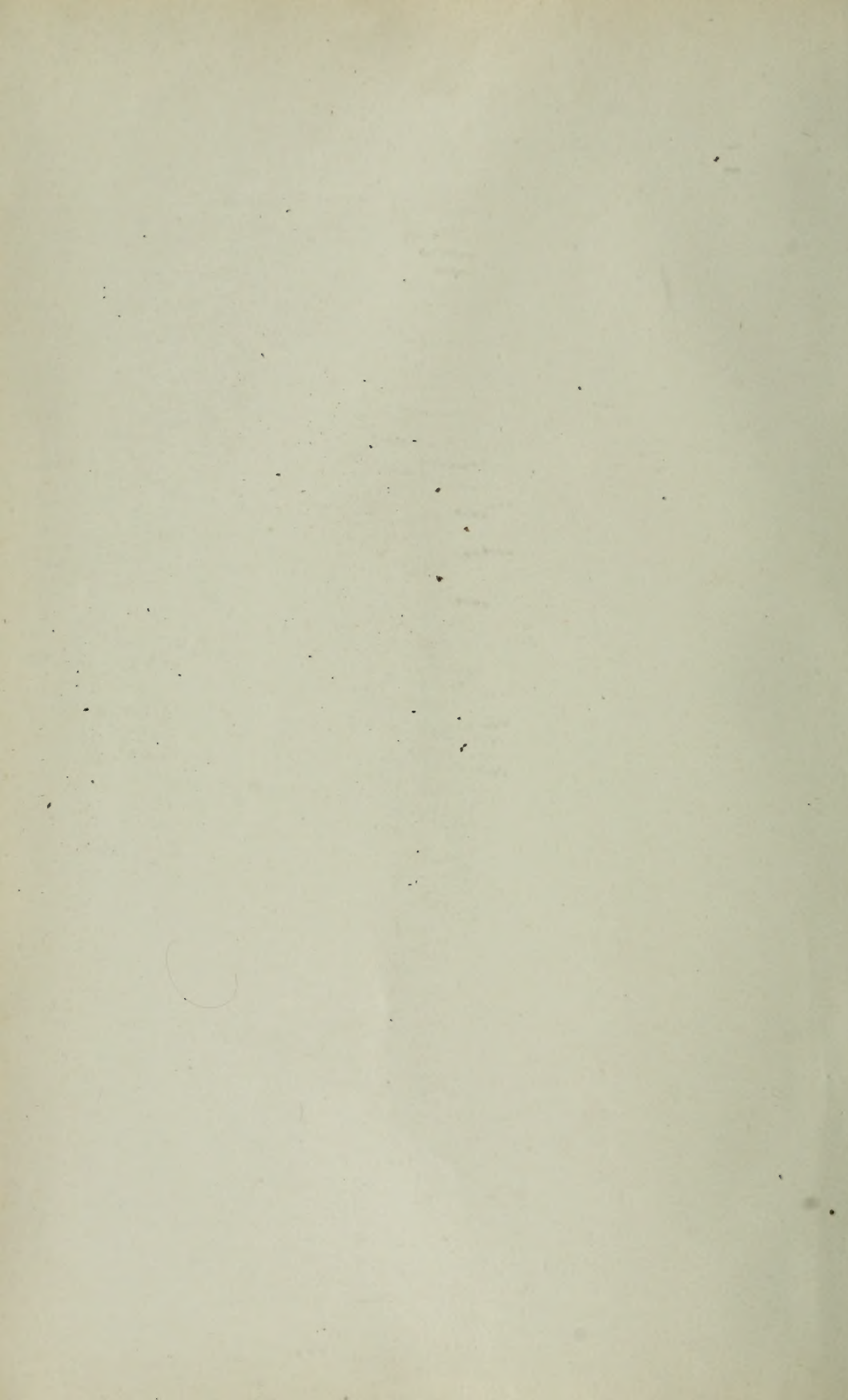
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VOL. 84
NO. 1

JANUARY

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast INSURANCE Review

PROTECTION

An Insurance Journal and Directory
IN ITS FORTY-SECOND YEAR

San Francisco: Merchants Exchange Building

The Only INSURANCE Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

Portraits and Sketches
A Few Annual Statements
The Hartford Life Reinsures
Some Ethical Considerations, by W. Irving
American Fire Losses in 1912
San Francisco City Fire Premiums
Mainland Fire Underwriters Meeting
Standard Mortgage Clause Decision
A Few Life Figures
A St. Louis Scheme Doing an Unlawful Business
The Inner Circle Humbug
Blue Sky Law Defended
Extracts from Coast Review in 1872
Washington Supreme Court Decision
Some Department Fire Figures
Sanderson Appointed General Agent of the Aetna
Olds Succeeds Conroy & Olds

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets
\$58,371,415.00

Assets in U. S.
\$13,784,520.57

LIVERPOOL & LONDON & GLOBE
INSURANCE CO. LTD.

NEW YORK OFFICE, 45 WILLIAM STREET.
H. W. EATON, Manager
G. W. HOYT, Deputy Manager
J. B. KREMER, Ass't Deputy Manager
T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
THOS. H. ANDERSON, Deputy Asst. Mgr.
CLARENCE F. LOW, Manager
J. G. PEPPER, Asst. Mgr.

CHICAGO OFFICE, 205 LA SALLE STREET.
W. S. WARREN, Manager.
GEO. H. MOORE, Assistant Manager.
HUGH R. LOUDON, Deputy Asst. Mgr.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
JOHN W. GUNN, Manager
R. P. FABJ, Ass't Manager

CALIFORNIA, NEVADA, OREGON, ALASKA, WASHINGTON, ARIZONA, IDAHO, MONTANA, NEW MEXICO, ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, UTAH, WYOMING, FLORIDA, GEORGIA, ALABAMA, MISSISSIPPI, ARKANSAS, TEXAS, LOUISIANA, MISSOURI, OKLAHOMA.

EST. 1848

Established 1836

Entered U. S. 1848

The statement of the condition of the United States Branch on the 31st of December, 1911, in accordance with the laws of the State of New York, is as follows:

Assets \$13,784,520.57
Liabilities 9,302,531.97

Surplus \$ 4,481,988.60

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144.

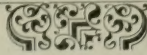
LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 64 years exceeds \$127,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852
In the Company's Building,
514 California St., San Francisco

JOHN W. GUNN, Manager
R. P. FABJ, Assistant Manager

Special Agents:

- R. G. BRUSH W. H. RAYMOND R. H. ROUNTREK CHESTER S. MYRICK HARRISON HOUSEWORTH F. E. ATKINS D. B. EDWARDS GEO. J. JANES



Conflagration-Proof Insurance



Losses paid to date, - - over \$164,000,000

PACIFIC DEPARTMENT

GERMAN
AMERICAN

PHOENIX
OF HARTFORD

GERMAN
ALLIANCE

PROTECTOR
UNDERWRITERS



EQUITABLE FIRE & MARINE INSURANCE CO.

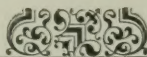
GEO. H. TYSON GENERAL AGENT.
HERBERT FOLGER, ASST. GENL. AGENT

SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



SOLICITING INSURANCE FOR
THE MUTUAL LIFE INSURANCE CO. OF NEW YORK
 IS ONE OF THE MOST LUCRATIVE OF CALLINGS

Are you in the business to stay? Choose a Company good enough for you to stay WITH, and strong enough to stay with YOU, during your whole career;

The oldest Company in America, which began business seventy years ago, is bigger, better and stronger now than ever before, and will be still bigger, better and stronger seventy years hence;

Not the company which YOU must introduce, but the Company which introduces YOU wherever you go;

The Company whose better selling qualities earn most for you in the way of commissions;

The company which furnishes the insured the largest protection for his money.

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

Temperatures on New Year's Day, 1913

	Max.	Min.
Baker, Or.	30	22
Boise, Id.	32	28
Denver, Colo.	32	28
Eureka, Cal.	52	40
Fresno, Cal.	52	40
Helena, Mont.	24	24
Honolulu, T. H.	76	64
Los Angeles	66	48
Phoenix, Ar.	64	38
Red Bluff, Cal.	56	42
Reno, Nev.	42	28
Roseburg, Or.	44	34
Sacramento, Cal.	56	36
Salt Lake, Utah	28	26
San Diego, Cal.	60	48
San Francisco	58	46
San Jose, Cal.	58	34
San Luis Obispo, Cal.	62	48
Spokane, Wash.	30	26
Tacoma, Wash.	40	32
Yuma, Cal.	68	40

San Francisco Broker a Suicide. Patrick Henry Ruddock, a well known insurance man and politician, hanged himself, January 2. The fire of 1906 cost him his fortune. He had recently been under treatment for nervous breakdown.

President Peabody of the Mutual Life Ins. Co. of New York says the average daily bank balances of the company were incorrectly reported by a congressional committee's expert. In all seven New York banks the Mutual's average bank balances in 1911 were only a little over \$4,000,000.

The mutualization of the Prudential is again under consideration.

It is admitted that incendiary fires have recently increased in number.

Frank W. Anthony, the notorious, is still in jail in New York, and not so very still either.

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00

Net Surplus, 217,716 00

Total Assets, 1,320,465 00

OFFICERS

W. E. DEAN, President
GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
GEO. L. PAYNE, Treasurer

HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.

Special Agents and Adjusters

J. W. WARNER, San Francisco

A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
and at the rate of "Dollar for Dollar."

Western Department, Chicago, **HENRY J. WOESSNER, Gen'l Agt.**

Eastern Department, Philadelphia, **FRANK C. STURTEVANT, Manager.**

Middle East Department, Pittsburg, **LOGUE BROS. & CO., Gen'l Agts.**



LTD.

OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

PACIFIC DEPARTMENT - - 571 SACRAMENTO ST.
SAN FRANCISCO, CAL.

JAMES WYPER, - - Manager

THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM

AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES

Pacific Coast Casualty Co.

of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00

Assets, : : 1,231,513 10

E. F. GREEN President
MARSHAL A. FRANK Vice-President
CARL G. BROWN Secretary

DIRECTORS.

HENRY F. BOHLEN	E. F. Green
EDWARD E. BRAYTON	CARL G. BROWN
JAY L. CHAMBERS	J. W. PHILLIPS
MARSHAL A. FRANK	J. H. BENNETT
F. P. DEERING	A. L. MEYERSTEIN
H. A. BAIRD	

Head Office: Merchants Exchange Bldg.
San Francisco

San Francisco has gone into the street-car business, with the advice, consent and demand of organized labor. Every employee must be a member of a union and be paid more than the wages paid by the privately owned car lines, whatever they may be paid. The road is 5½ miles long and begins and ends nowhere. The two tracks cost \$139,000 a mile. The power wires are overhead and not underground as promised. The mayor made the usual show of himself, on the first car. He dearly loves the limelight, as do all lightweights. If the road pays, the profits for interest, upkeep and replacement should be \$100,000 a year, as now completed. Will the "only municipal street railway in the United States" be a paying investment under the control of politicians who haven't ability and honesty enough to keep even a street clean?

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-one Years for

Low Rate of Mortality

Economy of Management

Prompt Payment of Claims

GROSS ASSETS, OVER \$18,200,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Mellman Building) LOS ANGELES, Cal.



The Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1912, \$7,622,099.09

Surplus to Policyholders

Jan. 1, 1912, 2,990,478.24

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

**SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop**

FIRE

John A. Hougaard of San Francisco is now with a securities company as secretary.

The Munich Reins. Co. offices in this country have been moved from New York to Hartford.

The new Eagle Fire is announced.

The Individual Underwriters of New York is a heavy loser. Promised dividends have been displaced by probable assessments.

After 49 years' service, G. S. Manvell, the home office manager of the Sun Ins. Office of London, has retired.

A World's Work writer picks out these cities as likely to burn, with probabilities in the order named: New Orleans, Seattle, Boston, Cincinnati, Philadelphia, Chicago, New York.

LIFE

The Pension Mutual Life of Pittsburg will absorb the Western Life & Annuity of Chicago, whose downfall our Review has predicted.

A New York daily predicts that in 1931 the four New York giants will have \$4,318,000,000 assets total. The estimate is based on gains from 1902 to 1912. Well, what of it? The policyholders will own the assets, and the investments will be distributed over all the land.

The Assurance League of America has been merged with the Order of the Golden Seal, both of New York.

The N. Y. Life wrote \$198,000,000 new in 1912 and increased its "in force" 68.

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company his leader. That company is certain to be the Continental = = = = =

HENRY EVANS, President

Pacific Coast Representatives:

A. G. NASON & CO., San Francisco

F. P. WILSON, San Francisco

G. L. McINTIRE, Los Angeles

J. C. WICKLER, Sacramento

W. A. WILLIAMS, Portland

G. L. A. LAUER, Seattle

J. A. CARLSON, Spokane, Wash.

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



Funds Exceed - - \$ 45,000,000

Annual Income Exceeds 6,250,000

Claims Paid Over - - 125,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON Oregon, Washington, Idaho and Montana


J. P. CARROLL, E. M. BRODENSTEIN - California, Nevada, Arizona and Utah.

APPLICATIONS FOR AGENCIES INVITED

WE have a **SPECIAL** combination subscription
OFFERING

TO SPECIAL AGENTS

Its Acceptance Will Help Them in Their Work
among **LOCAL AGENTS**. Particulars in Black and
White on Request. Now Is the Time.

 ESTABLISHED IN 1845

Prussian National

Insurance Company

(OF GERMANY)

CAPITAL, . . . \$2,250,000.00

ASSETS, . . . 5,130,876.07

United States Branch
171 LaSalle Street, Chicago

HAROLD W. LETTON,

General Manager

JOHN A. PRINSEN, General Agent

315 South Broadway

LOS ANGELES, CAL.

The
Metropolitan
Life
Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

SAN FRANCISCO

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Net Surplus
\$7,831,191 74
Surplus as to
Policyholders
\$12,831,191 74



Cash Assets Now
\$22,017,389.71

Losses Paid
in

93 Years

\$128,003,578.89

All Losses Paid in Cash Without Discount Immediately Upon Adjustment

A. G. SANDERSON, General Agent

W. H. Breeding, Supt. of Agencies

Main Office, 301 California Street

SAN FRANCISCO

SPECIAL AGENTS AND ADJUSTERS

L. A. MURPHY, G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER.

This Company has absolutely *no* connection with any other corporation bearing the name of *Aetna*.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1912, \$25,449,839 41

Surplus to Policyholders 9,819,707 48

Losses Paid. Over . . . 150,000,000 00

PALACHE & HEWITT, General Agents

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

J. J. DENNIS

P. H. GRIFFITH

WILLIAM S. DENNIS

NEIL STEWART

C. E. MILLER

M. E. SPAULDING

J. HENRY WOLBOLD

GEO. E. DEVINE

R. E. DOLLARD

L. H. EARLE

January, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 42d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 85

San Francisco, California, U. S. A.

Number One

Entered at San Francisco Postoffice as second-class mail matter

The adjuster is born but were better made.

‡‡

A friend in-kneed may be a friend in deed; the real estate agent also may be a friend in deed; but the maturing insurance policy is certainly a friend indeed.

‡‡

Say "good morning"—say it cordially—as often as you can. For it is a sovereign remedy for a grouch, and stirs up the red corpuscles. It is better than a morning cocktail, and its cheerful effects last longer and are always harmless.

‡‡

San Francisco's little mayor is sure he has a Mission.

‡‡

This year will give the 13 superstition a trial. Whether a lucky or an unlucky number, as regards the present year, garrulous Time will tell. 19 plus 1 plus 3 make 23 for you.

‡‡

As to Coast losses, there seems to have been more "cry" than "wool."

San Francisco premiums have fallen off, but liabilities have increased.

‡‡

Red lights are gleaming in the states' capitals.

‡‡

The cold wave didn't kill the rumor crop in San Francisco.

‡‡

The other day the six remaining old suits against the Hamburg-Bremen were settled out of court in San Francisco; and now we hear somebody asking, When is this aforetime favorite coming back to California?

‡‡

Lax supervision will lead to state insurance. This is Emmet's idea. The new strict supervision is to take note of loss adjustments, settlements, compromises and repudiation.

‡‡

Californians buy more than 200 automobiles a month. The average number smashed and burned monthly is not recorded.

‡‡

Boss Cox of Cincinnati "strung" the Hartford Life as we predicted.



The Insurance Men

of California hold the balance of power in the politics of the state.

They can elect the governor and other officials, and may reward or retire members of the legislature.

—This January 1913 California has experienced its coldest weather in a quarter-century. One night ice formed in street pools in San Francisco. The thermometer was 32 above zero. In the interior, near by, snow fell. Indeed, snow fell from the northern boundary to the southern. At San Diego, near the Mexican line, the thermometer registered 20 above, which is the coldest during the 60-year record. At Santa Barbara, near the Coast range, the water in the fountain at the beach froze and icicles a foot long hung from the bowl. Freezing frosts did \$15,000,000 damage to the orange and lemon crops in southern California, and it is feared that some of the trees were killed. It is hoped that in the future the orchardists will be prepared for such extraordinary low temperature, with fires and smudges and electric or gasoline-engine fans. There is talk of using the damaged fruit for the manufacture of denatured alcohol; but the loss, nevertheless, will be a serious total for southern California orchardists and all associated and depending interests. Railroads and banks will be among the chief sufferers.

—Did you use our posterette on page 88 December Coast Review?

—Los Angeles authorities limit the speed of fire engines to 25 miles an hour. This is a wise restriction, for the preservation of life.

—Antiquated Remedy.—“I remember you cured me of the same trouble a dozen years ago. Why don’t you use the same treatment now?”

“A dozen years ago?” echoed the doctor. “My dear sir, the medical profession has made wonderful strides since then, and I couldn’t think of such a thing.”—Puck.

—Honolulu Hilarious. — Preparations are closing for a grand good time in Honolulu during Washington Birthday week. The “Landing of Kamehameha the Great,” at Waikiki beach on Washington’s Birthday, will be a spectacle which will call for the most careful of staging and will show the great Napoleon of the Pacific skirting the shore of Oahu around Diamond Head in his great double war-canoe, followed by a large number of canoes filled with chiefs, paddlers and warriors. There will be other pageantic spectacles.

—A Film Trust.—The “movies” have been given orders by the film trust to charge 10cts; the poor patrons of the kinetoscopes are being robbed, but San Francisco’s mayor does not lift up his voice against this new outrage which takes thousands of dollars nightly from the pockets of the poor. Even his master’s voice is still. It must be good politics to keep still. We are told that the film trust restricts the reels of the 5-ct shows and puts the 10-ct shows under bonds. There has been a large falling-off in patronage in the “theaters” which charge a dime.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

FIRE

Washington—Finley v. Western Empire Ins. Co., 125 P. R. 1012

Acceptance of Policy

Plaintiff to whom a policy was issued by defendant to take the place of one of another company, which it desired canceled, is not shown to have refused to accept it, but rather to have accepted it and held it subject to his legal rights, where, on being consulted by defendant after a fire as to whether he intended to make a claim against it, he, after stating what he would have done if consulted before it was issued, stated that he intended to hang onto all the policies.

Estoppel to Assert Nonacceptance

A company, having issued and delivered a policy, and known of the destruction of the property when the loss was adjusted, and accepted proof of loss and participated in an adjustment which proceeded on the theory of it and other policies being valid, and issued its check for its share, admitted liability, and so was estopped to assert that there had been, without its knowledge a refusal to accept the policy, so that it was not in force.

Cancellation—Waiver of Notice—Contract for New Insurance

The requirement in a fire policy of five days' notice of cancellation, being for the benefit of insured, is waived when, within that time, on notice of desire to cancel, insured's agents, authorized to keep the insurance up to the amount then on the property, contract for other insurance to take its place; and the old policy then ceases to be in

force—the agreement to take the new policy being in legal effect an acceptance.

On August 20, 1910, plaintiff held three policies of insurance covering a certain stock of lumber. These policies were written by the New Brunswick, Glenn Falls, and Fireman's Fund Insurance Companies; each policy being for the sum of \$2,500. The New Brunswick Company, being desirous of canceling its policy, notified its local agents at Spokane to notify the assured of its intention. Instead of acting under the terms of the policy, which called for a five-day notice, the agents, Rogers & Rogers, who seem to have been factors in behalf of the insured, as well as the company, immediately set about to secure another contract, in lieu of the one the New Brunswick Company desired canceled. This they secured from the defendant, the Western Empire Insurance Company of Washington, on August 20th. The policy was dated August 22, 1910, but was not actually issued and delivered to plaintiff until the 23rd. The property was destroyed by fire on the 21st of August. After the fire, a surrender of the New Brunswick policy was demanded. Plaintiff refused to surrender it, but held both. The loss was thereafter adjusted by an independent adjuster, and the loss apportioned between the four companies. Defendant drew its check for the amount awarded by the adjuster—\$1,233.79—and sent it to plaintiff, but stopped payment thereon prior to its presentment at the bank. Upon plaintiff's motion, the case was withdrawn from the jury, and the court adjudged, as a matter of law, that plaintiff was entitled to recover.

This appeal is prosecuted in reliance upon the assertion that the policy of the appellant was not delivered or accepted by the insured prior to the fire; and therefore there can be no liability. Appellant had no notice of the purpose of Rogers & Rogers to cancel the New Brunswick policy and substitute there-

for appellant's policy until after the fire. There were no conditions or limitations attending the contract. It was made in the usual way, and the policy issued in due course, and was made by an attached slip to date from August 20, 1910.

Affirmed.

New Jersey — *Ross v. Liverpool & London & Globe Ins. Co.*, 84 A. Rep. 1050

Explosion

Where a policy excepted liability for loss caused directly or indirectly by explosion of any kind unless fire ensues, the insurer is not liable because the explosion was caused by the ignition of a match.

Construction—Automobiles

A policy specifically excepting liability for damage done by explosion contained a privilege to keep three automobiles, and a rider attached to the policy, which reiterated the privilege of keeping the automobiles in consideration of an additional premium, contained a warranty by insured not to keep more than five gallons of gasoline on the premises. An explosion of gasoline occurred. Held, that the attachment of the rider and the payment of additional premium did not supersede the exemption of liability for explosion; the permission to keep gasoline being sufficient additional consideration.

It does not appear that the insurer was authorized to insure against explosions.

Explosion by Striking a Match

Where one was insured against damage from fire, and an explosion of gasoline was caused by the ignition of a match, the injury from the explosion is not the proximate result of fire resulting from the striking of a match, and hence the insured is not liable.

Indiana — *German Fire Ins. Co. of Indiana v. Greenwald*, 99 N. E. Rep. 1011

Brokers—Notice of Matters Relating to Risk

Where brokers act within the scope of their authority, they are the agents of the company from which they secure insurance, and their knowledge relating to the risk is binding upon the company, though not communicated to it.

Breach of Condition—Waiver—Issuance of Policy with Notice

Where applicant informed agents that there was a mortgage on the property, and that the building was partly used for the manufacture of cigars and tobacco, the issuance of the policy thereafter with such knowledge amounted to a waiver of a right to defeat a recovery on the ground that the insured's interest was less than an absolute owner, or that the hazard was increased by the use of the property for a manufacturing purpose.

Procuring Other Insurance—Effect of Transfer of Property

A policy provided that it should be void if insured "has or shall procure any other insurance on the property. At the time the insured purchased the property and gave a mortgage thereon there was a policy in force, payable to the vendor, which was not assigned to the insured, and of which she had no knowledge. Held that, as contracts to insure are personal, an assignment to and assent of the grantee was necessary to transfer the policy, so that the mere transfer of the property would not carry such policy with it, so as to avoid the policy later issued.

Fire Legal Brevities

Where a company's local agent, having power to accept a risk and deliver a policy, knew that the prop-

erty insured was mortgaged, but accepted the premium and delivered the policy, there was a waiver of right to forfeit for incumbrance, though the policy provided that the agent could not waive its conditions. — *Insurance Co. of North America v. Little*, 125 P. 1098.

A local agent of a company, with power to accept a risk and deliver a policy, has power to waive conditions against concurrent insurance. — *Western Nat. Ins. Co. v. Marsh*, 125 P. 1094. The burden of proof of waiver is on the insured.

Property is "wholly destroyed" or a "total loss" within an insurance contract, no matter how great a portion may remain, if it is so injured that the remaining portion cannot be utilized in reconstruction without incurring a greater expense than if it were not so utilized. — *Kinzer v. National Mut. Ins. Co.*, 127 P. 762.

Where policy covered a frame building and a brick wall without separate valuation, and the building was destroyed without injury to the wall, the insurer was liable for the actual loss to the extent of the full amount of the policy. — *Id.*

That a company had, without plaintiff's consent, transferred, on its books or elsewhere, her interest in a policy to some other person, does not constitute the basis of an action for the return of the premium.

The "insured," under Insurance Law, § 122, providing that fire insurance companies shall cancel any policy upon the request of the insured, includes the mortgage, for whose benefit a mortgage clause has been inserted. *Lewis v. London & Lancashire Fire Ins. Co.*, 137 N. Y. S. 887.

Cancellation of Fire Policy by Agents

Authority of an agent to cancel a policy does not necessarily follow from his authority to procure it.

Company having ratified cancellation by its agent of policies issued by it, questioning only, as regards liability between him and it on an accounting, whether he had not returned too large a proportion of the premium, his liability is the same as though he had originally had authority.

The cancellation of a policy being by the insurer, and not the insured, a part of the premium bearing the ratio to the whole thereof that the remainder of the term bears to the whole thereof is to be returned, in the absence of contract to the contrary. *Hanford v. Toledo Fire & Marine Ins. Co.*, 128 P. 235.

Plaintiffs (agents) brought this action, demanding the sum of \$2,420.21, which is the admitted amount due if plaintiffs are right in their contention. Defendant answered and admitted the sum of \$1,479.21 to be due on the short rate basis. This money was paid into court for plaintiffs. The court below sustained the contention of the plaintiffs, and rendered judgment for the difference between the pro rata rate and the short rate, being \$941. Defendant company appealed.

The judgment of the lower court affirmed.

Valued Policy — Coinsurance — Concurrent

Where the coinsurance clause is attached to a policy, and the insured maintains insurance to the amount required, on a total loss, the insurable value as stated, and not the actual value, is the basis of recovery.

It is only where a loss on buildings is total that the insurable value as stated in the policy forms the basis of determining the recovery, and where the loss is partial the insured may recover the actual amount thereof.

The term "concurrent insurance" designates insurance placed in other companies covering the same risk, while there is no "coinsurance" unless the insured bears a proportion of the risk.

If an actual partial loss is greater than the insurance, a reference to arbitrators is not a condition precedent to recovery, but if the actual loss is less than the insurance, such reference is a condition precedent. *Oppenheim v. Fremont's Fund Ins. Co.*, 138 N. W. 777.

LIFE

California—*Barton v. Columbian Nat. Life Ins. Co.*, 127 P. 1037

Forfeiture for Nonpayment of Premiums

A policy stipulating that it is issued in consideration of a specified premium and of the payment of a like sum on a designated date in every year until seven full years' premiums have been paid, or until the prior death of insured, the balance, if any, of the then current year's premium to be deducted in any settlement, and that the failure to pay any premium when due will void the policy, "except as herein provided," and declaring that after premiums have been paid for three years insured, within 30 days after any default in the payment of a subsequent premium, may avail himself of enumerated options, does not extend the time for the payment of premiums, for the quoted words merely apply to the provision defining the effect of payment of premiums for three years, and do not apply to the provision authorizing insurer to deduct from the face of the policy an unpaid premium, the time for payment of which has been extended, and, where insured failed to pay the second annual premium at maturity, the policy became void.

Kentucky—*Etna Life Ins. Co. v. Bowling Green Gaslight Co.*, 150 S. W. 994

"Expenses of Litigation"—Construction

An indemnity policy stipulating that insurer's liability for loss to insured is limited to \$5,000, that insurer will

pay the "expenses of litigation" in addition to such sum; that, if any suit is brought against insured, insurer will, at its own cost, defend the suit, unless it shall elect to pay insured the indemnity fixed, and that insured, when requested by insurer, shall aid in effecting settlements, but shall not voluntarily assume any liability or interfere in any negotiations for settlement or incur any expense except at his own cost without the consent of insurer previously given, binds insurer to pay \$5,000 and, in addition thereto, the expense that insured has been put to by litigation required by insurer, including costs, damages, and interest on \$5,000, though, as between insurer and insured, the liability does not attach until insured has suffered some loss; the phrase "expenses of litigation" not being confined to the payment of attorney's fees, obtaining witnesses' testimony, securing bonds, and other like expenses incident to such class of actions.

Automobile Decision

"Collision," within the meaning of a policy, held to mean the act of colliding, and imports striking together; violent contact. Both bodies need not be in motion. 85 A. 194.

Water and land are "objects" within a policy insuring against loss from injury from collision of an automobile with an object or objects.

A provision in a policy that damages to an automobile from collision due to upsets shall be excluded does not defeat recovery, where an automobile ran off a highway bridge and landed at the bottom of the stream upside down; the upset being rather the result of the collision than the reverse. *Id.*

FIRE AND MARINE INSURANCE

Fire Underwriters Evidently Regarded as Hold-Ups

Weakly yielding to impudent demands for lower rates, publicly made by demagogues or privately made by associated business men, who threaten drastic legislation, has multiplied these demands. Villagers now write to the board or union after this fashion: "we insist on lower rates; if the present extortionate rates are not at once reduced, we shall know what steps to take." Delegations of country shopkeepers meet board or union officials on the trains or at their hotels and demand lower rates, under threats of adverse legislation this winter.

It is evident, the impression prevails that fire underwriters are hold-ups, who seize whole communities by the throat and rifle their pockets by charging unjust rates.

However unjust this attitude of the public mind toward fire underwriting and fire underwriters, it must be admitted that the underwriters themselves are partly to blame. Their silence in the face of charges of "extortion" is not a virtue. There is an old saying, "silence is consent," which is by the common mind accepted as an axiom.

There should be more publicity of underwriting facts. Would it not be well to print on every blotter the low average percent of underwriting profit for the previous five years? Could the public fail to acquire a fairly correct idea of underwriting conditions if the insured received with his policy a statement of the number of fires in the United States and the average cost per capita? The number of companies which have retired in the past ten

years because the business was unprofitable would certainly help to educate the public to whom the facts were reiterated year after year.

But alas! if we were to print all these convincing things and offer the companies this printed matter at cost we could not sell any of it. The underwriters do not believe in publicity, and the present hostility to insurance companies, reflected in newspapers, in demagoguery and in legislation, is largely due to this disbelief in the utility and obligation of publicity.

If it were universally known that fire losses, expenses and taxes amounted almost every year to 97 out of the 100 cents of premiums, would there be anti-compact legislation, and state rating bureaus, and valued policy laws? We think not.

Lloyd's of London

Under the law of 1911, passed by the British parliament, the society of Lloyd's is authorized, when it is deemed in the interest of the company to do so, to apply the funds of the society in making good any deficiency of any guarantor or any guarantee.

Power to suspend members for a period not exceeding two years is given the society.

A revenue account and balance sheet must be furnished to the Board of Trade every year by the corporation of Lloyd's. The form includes underwriters' guarantee fund at the beginning and the end of year premiums, premium reserve; also a balance sheet of liabilities to creditors and funds, and assets.

The only way to reduce fire premium rates is to reduce the fire loss.

INSURANCE OF ALL KINDS

THE HOME INSURANCE COMPANY

Leads All Fire Companies in Assets in This Country; also in Surplus to Policyholders — Made Large Gains Last Year

The Home Insurance Company of New York is the leader among fire companies in this country in several respects. It has the largest amount of assets invested in North America; it has the largest surplus to policyholders; it has the largest voluntary reserve as a conflagration surplus; and it writes the largest total of Pacific West premiums.

The total amount of assets is now \$33,406,434. This is a gain of \$1,259,869 during the year.

The surplus as regards policyholders is \$19,151,755. This is a gain of \$536,314, which indicates a good year for the Home.

The reserve for reinsurance is \$12,341,420, against \$11,798,635 a year ago. This increase of \$543,000 indicates a large gain in new business.

The voluntary conflagration reserve of \$1,800,000 is maintained. As far as we know, the Home is the only company which has a conflagration reserve fund and treats it as a liability in its annual statement of resources.

In the Pacific West, which of course includes Colorado, the Home wrote a total of \$1,526,118 premiums last year, of which \$878,094 was written in California. Gains were made in Alaska, British Columbia, Colorado, Idaho, Montana and Washington; but on the

whole, there was a small decline, chiefly in San Francisco, where rates have been reduced.

Queer Development of Modern Fire Insurance

Companies are in great demand nowadays, and the supply is not equal to the demand. A new way of securing a general agency may be said to characterize present conditions in fire underwriting. New companies are promoted for profit, and with the assurance that large blocks of capital stock can be sold to local and general agents on the pledge of an agency in return. The promoters approach ambitious brokers and general agents with an offer to place the agency of the new company with them if they will subscribe for \$10,000 or \$20,000 of the capital stock. Local agents are promised the local agency if they will subscribe for \$2,000 or \$5,000 of the stock.

Still other means of profit is employed by New York brokers or other insurance men who buy substantial interests in small established companies, and then use their "influence" to place a general or state agency in some Western city for a stipulated fee—say \$2,500. "It will do you no good to apply for an agency," said one of these New Yorkers to a Western man, "but I am in a position to get you this appointment. I am 'in with the bunch' up there. I know 'the ropes.' My fee will be little more than your expenses while visiting the head offices."

He got the appointment, too; and the grateful Western man paid him \$2,000.

THE HOME INSURANCE COMPANY NEW YORK

[Fire - Automobile - Windstorm - Tourists' Baggage]

SUMMARY OF ASSETS, JANUARY, 1913

	Par Value	Market Value
Cash in Banks and Trust Companies		\$1,759,494 71
United States Bonds	\$ 150,000 00	164,000 00
State and City Bonds	6,299,333 33	6,270,246 00
Rail Road Bonds	9,005,000 00	8,388,700 00
Miscellaneous Bonds	1,661,000 00	1,522,400 00
Rail Road Stocks	9,033,000 00	10,702,230 00
Miscellaneous Stocks	1,200,000 00	1,558,000 00
Bank and Trust Co. Stocks	159,300 00	465,750 00
Bonds and Mortgages, being 1st lien on Real Estate		21,300 00
Premiums uncollected, in course of transmission and in hands of Agents		2,327,747 89
Accrued interest		226,566 00
		\$33,406,434 60

LIABILITIES

Cash Capital	\$ 3,000,000 00†
Reserve Premium Fund	12,341,420 00
Reserve for Losses	1,263,997 33
Reserve for Re-Insurance, and other claims	349,261 99
Reserve for Taxes	200,000 00
Reserve for Miscellaneous Accounts due and unpaid	100,000 00
Reserve as a Conflagration Surplus	1,800,000 00†
Surplus over contingencies and all liabilities including capital	14,351,755 28†
	\$33,406,434 60
Surplus as Regards policyholders, - - -	\$19,151,755 28†

ELBRIDGE G. SNOW, President

PROMPT }
EQUITABLE } ADJUSTMENTS
COURTEOUS }

FOLLOWED BY

IMMEDIATE }
CASH }

Pacific Mutual the Leader

The Pacific Mutual wrote in California in 1912 new paid-for business in the grand total of \$6,400,247. We assume that this is the largest total written by any company.

Convention

The industrial department of the West Coast Life held its convention of field men last week. The company's best year was celebrated. Everybody enjoyed himself.

Hammond Elected Secretary of the West Coast Life

At a meeting of the board of directors of the West Coast Life Insurance Company of San Francisco, William C. Hammond was elected secretary of the company. Mr. Hammond has had extended life insurance experience, both in the field and in the home office, and it is confidently believed that the wisdom of his appointment to the secretaryship will be attested by the excellence of his services in an official capacity.

Affeld Soon Retires

United States Manager F. O. Affeld of the United States branch of the Hamburg-Bremen will on March 15 complete forty years of continuous management. He retires of his own volition, because of advancing years. Mr. Affeld is one of America's most experienced underwriters. He is a veteran of the Civil War.

Fire Association Figures

Assets, \$9,091,141. This is a gain of about \$102,000. Unearned premium reserve, \$5,350,398, a gain over previous year. Net surplus, \$2,590,263, a gain of \$84,405. The surplus to policyholders is now over three and a third millions.

Personal

Walter bears his honors modestly and rejoices over his Freedom.

Harry L. Roff is at a vegetarian health resort where an appetite is guaranteed. When they let him out he will hike to Spaghettilville.

Harold Mann of the firm of H. R. Mann & Co. recently won a suit which necessitates an order for a wedding suit. Congratulations.

Pacific Mutual Life

The business in force in the Pacific Mutual Life is now over \$133,000,000. The rate of interest on invested assets is 6 percent. The accident department increased its cash premium collections more than \$200,000.

Fireman's Fund's Large Gains

Assets, \$9,268,924, a gain of \$619,300. Net surplus, \$3,104,730, a gain of \$523,269.

Looks Like a 37 Per Cent Coast Loss Ratio

Some 13 millions of Coast business has been reported to the Coast Review with an average of 37 percent losses incurred.

Insurance Co. of North America

Assets, \$17,816,189, a gain of \$862,415, surplus to policyholders, \$8,844,872, a gain of \$540,971.

The Alliance of Philadelphia has \$2,238,629 assets and \$1,392,591 surplus to policyholders. Both figures are gains.

Bank Teller a Defaulter, Under Bond of American Surety Company

Edward I. Church, receiving teller of the Bergen and Lafayette Trust Company of Jersey City, was arrested at his desk on the morning of January 16th, charged with embezzling \$4,598. Before he was taken to the police station Church spent several minutes in the private office of the president of the trust company, and admitted taking the money, denying that he had stolen it for his own use. So far as the bank officials have been able to learn, there was nothing irregular in the life of the young man, but he lived in such excellent style that friends wondered how even his comfortable salary could support it.

The alleged embezzlement covers a period of only the last three months. Deposits had been withheld and the books "doctored" to deceive the bank officials.

If the charges against Church are true, the bank will lose nothing, as the receiving teller was bonded in the sum of \$13,000 by the American Surety Company of New York.

Portland—84 fire hydrants set in October. The city is growing some.

California Fire Business in 1912

Name	Pluses	Losses
	1912	1911
Alma	\$878,094	\$304,928
Liverpool & London & Globe	561,607	172,776
Firemans Fund	612,340	156,829
National	540,633	214,584
Colonial	350,749	113,303
Mechanics & Traders	95,783	22,632
Fire Associations	38,054	11,809
Philadelphia Underwriters	151,727	38,161
Pennsylvania	75,775	34,644
American Central	192,877	67,361
St. Paul	127,371	38,659
Mercantile	138,723	52,438
Minnesota Underwriters	3,564	-7,151
Mercantile F. & M. Underw.	11,378	3,526
Springfield	13,911	1,276
Newark	360,349	126,259
City of New York	24,906	5,307
Norwich Union	62,981	21,530
Scottish Union	14,581	1,742
State Assurance	151,032	54,645
Union Assurance	11,148	3,301
London Assurance	205,545	99,018
Vulcan Fire	371,851	124,441
Dubuque	29,869	1,018
Law Union & Rock	53,809	16,937
Yorkshire	86,055	30,703
Atlas	42,620	1,134
Niagara	215,979	65,151
Niagara-Detroit	219,549	79,870
Detroit	44,127	11,088
Svea	1,224	
Agricultural	96,720	51,054
Globe & Rutgers	147,643	50,792
Globe-Underwriters	129,535	61,378
Hamilton	11,119	2,627
American Union	7,431	657
Franklin of Wash., D. C.	85,095	24,194
Prov-Wash.	7,441	1,566
London & Lancashire	109,468	32,636
Orient	249,973	66,647
N. Y. Underwriters	79,050	23,698
Teutonia	191,997	86,437
Home of Utah	40,741	12,291
Western Assurance	15,543	7,420
Caledonian	105,391	41,863
Scotch Underwriters	130,355	41,198
Caledonian-American	9,120	4,739
Aachen & Munich	5,844	358
National Ben Franklin	3,237	
United Firemens	79,961	26,851
Dixie	42,689	25,054
Humboldt	51,374	38,121
	9,022	63

San Francisco—19 gasoline permits in Decem-

ber, of which 4 were for city fire engines for 300 gallons each. The autocars are surely increasing the fire hazard.

Girard F. & M.

Assets, \$2,553,905, a gain, surplus to policyholders, \$939,752, a gain.

St. Paul F. & M.

Assets, \$8,785,319, a gain of more than three-quarters of a million. Surplus to policyholders, \$3,351,371, a large addition likewise.

Niagara Fire

Assets, \$6,981,389, a gain of \$245,197. Net surplus, \$2,664,392, a gain of \$189,193.

Home's Fine Showing

Assets, \$33,406,435, a gain of more than a million and a quarter. Surplus as regards policyholders, \$19,151,755, a gain of over \$536,300.

National Union Fire

Assets, \$4,136,638, a gain of \$248,000; net surplus, \$545,227, a gain of \$13,000 and more.

The Aetna Life people have dug up the unused charter of a Connecticut fire company and will breathe life into it by July 1 and with it write fire insurance on automobiles in connection with the accident annex. Fire companies must prepare to dig up charters of casualty companies and compete with the Aetna Accident.

We cannot guarantee to print new "ads" after the 15th of the month nor correct "ads" after the 1st.

The Franklin now has \$3,362,815 assets and \$641,853 net surplus.

The Camden Fire has \$2,942,665 assets and \$1,438,283 surplus to policyholders. Both figures are gains.

The Westchester has \$5,363,271 assets, an addition of \$680,026; surplus to policyholders, \$1,715,916.

The Agricultural has \$4,189,617 assets, a gain of \$189,188. Net surplus, \$1,480,005, a large gain.

Mr. Best of Seattle should read the New York Best's Reports.

LOOKING BACKWARD

Twenty Years Ago

The Home Benefit Association of New York reinsured in the Commercial Alliance. Both passed out.

The Eureka Endowment Association of San Francisco, recently pronounced solvent by the California insurance commissioner, failed, as predicted by the Coast Review.

The Home Benefit Life of San Francisco took over the business of the Fraternal Life Association. The Fraternal Life was formerly the Masonic Mutual Aid Association. Both soon passed out.

The Coast Review published as principal insurance losses in 1892: Seattle, \$271,000; San Jose, \$178,000; Portland, \$230,000.

Governor Markham of California recommended the passage of a valued policy law.

Geo. N. Beeler & Co. of Salem, Ore., advertised: "We will not abandon the interests of our patrons to some sharp adjuster, who draws a large salary owing to the big salvage he saves for his company."

Harry E. Boyd was appointed assistant general agent for the Hamburg-Bremen and the Niagara. Mr. Boyd, sometime afterwards, committed suicide while insane.

The ferry boat Tiburon burned in San Francisco bay while in the slip.

The Pacific Coast Insurance Union moved into the Sherwood building.

The Mutual Life building in San Francisco was completed.

J. P. Cox, long in the office of Hutchinson & Mann, died in Argentine.

The California marine loss ratio was 65 percent.

H. T. Lamey was appointed general agent of the British America at Denver.

The Mutual Life led in California in new business, with \$6,716,451.

The Union of New Zealand reinsured in the Alliance. The Western and Guarantee Company was organized in San Francisco. It wrote one policy and retired from business.

The Washington Farmers, managed by W. R. Marvin, proved to be a wildcat and was out in the hands of a receiver. Of the two hundred dollars capital stock only \$6,000 was ever paid in. There was a charge of embezzlement against Marvin.

The retiring companies were the Buffalo German, Economic, General, Scania, Germania of N. O., Jersey City, Michigan, United Fire, the Newark, the Oregon and the St. Paul German. The latter failed soon after.

The Pacific Insurance Union was having trouble with the New Zealand Insurance Co., which was persistently out of line as to compensations. The Coast management insisted on paying salaries to agents in a number of large towns. It had been found necessary to send Mr. Bromwell and Mr. Stillman, as a committee of two for the Union, to the head office of the company in Auckland. These gentlemen were cordially received, and their representations of the situation on the Coast, and the need of every company "getting into line" and loyally adhering to rates, rules and commissions, at once won the promise of cooperation. The Coast department of the New Zealand was straightway ordered to cancel its salaried agency contracts and conform strictly to the rules and regulations of the Pacific Insurance Union.

From Coast Review 41 Years Ago

Large Premium

On the 5th, the Pacific Mutual Life Insurance Company, of Sacramento, received a single premium of \$12,975.50. This is one of the largest premiums we have ever known to be paid to a life insurance company. Such premiums are a very rare occurrence, especially of late years.

Why Is It?

The insurance law of California requires that all foreign and eastern fire, life and marine companies doing business in the state shall file with the insurance commissioner on or before the 1st day of March in each year a statement of the condition and affairs of the company on the 31st day of December preceding. Some twenty or more of the life companies failed to get their statements in time, and they were required by the commissioner to surrender their certificates of authority to do business in the state, or else have them revoked and pay a fine, as prescribed by law, of five hundred dollars. There are eight British and one German fire and marine insurance companies doing business in the state, not one of which have either filed their statement or surrendered their certificates, and neither has the commissioner revoked them as he threatened to do with life companies. We cannot understand why this partiality. None of them have a right to do business unless they comply with the law; but if one class of companies is allowed to evade the laws, why not the other? There is no just reason why any one of them, life or fire, cannot have its statement on file by the 1st of March. The China Traders, whose head office is in Hong Kong, made up its statement on the 11th of January, and had it on file in this state on the 22d of February. Why then cannot English companies get theirs here? Some of them last year did not file their statements until after the middle of August? Will the commissioner allow them the same time this year?

Insurance Investigation

New York, March 4.—An investigation is now being made by the insurance committee, into George W. Miller's administration of

the insurance department. The testimony of insurance men and their attorneys is chiefly remarkable for such replies as "I don't know," and "I decline to answer." Vice-president Wetmore testified that in order to pass the Miller Life Bill of 1870, the sum of \$20,000 was subscribed by the following seven life companies: Mutual, Equitable of New York, Knickerbocker, United States, Continental and Security, which money went to oil the wheels of legislation. As much as \$1,000 seems to have been paid the examiners for a few hours spent in looking over the books of certain companies; but the stubs for this are missing along with the money. Francis M. Bigley swore that he was appointed receiver of the British Commercial in 1869. Counsel received for closing up its affairs \$18,750, and Bigley was allowed \$12,500 with the understanding that he must pay \$5,000 more to the legal fraternity.

The State Insurance Company

The advertisement of this new fire and marine insurance company will be found on another page. It has just recently commenced business, with a capital of \$200,000. It has established agencies in nearly all of the cities and towns of the state, and is getting already a very fine business.

The Security Life

Under the management of its General Agent, Mr. Woolsey, has done a first class business in California.

Sacramento Board

Perhaps in no city of the Union is there a more harmonious Board of Fire Underwriters than is to be found in the city of Sacramento, Cal. Every company represented in the city have signed the agreement, and the Board has been regularly organized for some time past, and working to the entire satisfaction of all interested. Mr. Julius Wetzlar, Manager of the Sacramento branch of the Home Mutual, is President, and Mr. A. Leonard, Agent for the Aetna, is Secretary. The Board has adopted Book 1, as their standard of rates. This is the only objection to the organization. A higher rate should have been adopted for that city. Sacramento business has never been profit-

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able to either local or foreign companies; and in view of this fact, the agents of the various companies represented in that city could have readily secured a better rate of premium for their companies. However, it is much better to have the organization as it is with the present rates, than to have no organization at all, and leave every company to establish rates of its own. We congratulate the Underwriters of Sacramento upon their good sense and discretion in thus banding together for the purpose of securing unanimity of action, and we hope that they will be able to maintain the organization without intermission.

Insurance Commissioner

Gov. Booth has ignored the wishes of the local companies for the appointment of A. G. Stiles, Esq., President of the Occidental, as insurance commissioner, and has appointed Mr. J. W. Ford, *vice* G. W. Mowe, term expired. We are not personally acquainted with Mr. Ford, therefore we are unable to speak of his qualifications for the office. We have heard him spoken of as a high-toned, upright gentleman, by his friends, and as a man who will carry out the law irrespective of the opinions or wishes of any one. We believe he has had no experience in the insurance business; but this we do not regard as any grave objection, if he is a man of business qualifications, and independent enough to deal justly and fairly by all companies. We wish him every success in his new calling.

Pluck

For a genuine specimen of Young America pluck we will pit the Coast Review office against any institution in all Uncle Sam's dominions. Imagine our surprise a few evenings since to see our printer's cartman draw up at our sanctum and deposit roll after roll of a paper called the Pacific Guest, a neat, bright little four-page monthly, edited and published by our little messenger boy, Master Willie B. Thompson, aged 13 years. Master Willie has displayed admirable taste in the selection of his matter, as well as shown decided ability as a juvenile editor. The paper does him credit, and speaks

volumes for both his intelligence and courage. Long may he wave.

[Mr. Thompson now, in 1913, is one of the editors of the San Francisco Chronicle.]

Of The Eighty

Or more insolvent insurance companies now in the English court of chancery, thirty-nine (almost half) are in the hands of three firms of accountants or liquidators; and twenty of them are in charge of *one* of these firms. This last would be considered, in political parlance, a "very fat take" over here.

New Company

A new company called the Commercial has arisen from the ashes of the Peoples, and commenced business on the 4th instant. Capital stock, two hundred thousand dollars. C. W. Kellogg was elected President and H. G. Horner, Secretary. The following is a list of the Directors: W. W. Dodge, Claus Spreckles, Michael Skelly, M. P. Jones, Selden S. Wright, W. B. Cummings, C. F. MacDermot, James M. Barney, F. S. Wensinger, C. W. Kellogg, A. W. Jee, Peter Dean, John H. Wise, Charles J. Deering, Levi Stevens, James Gamble, E. T. Gile, Charles Main, Donald McLennan, W. B. Hooper, G. L. Bradley. Sacramento: H. C. Kirk, H. S. Crocker, D. W. Welty, N. D. Thayer, J. H. Sullivan, F. S. Freeman. We understand that the company intends doing a *local* business only, the directors being opposed to extending their agencies outside of California. If the business of the new company is pushed with the energy and determination of the old, it will doubtless achieve great success.

We Have Rumors of the Withdrawal of

One of the prominent English companies from San Francisco, and that the Phoenix of London, will soon enter to take its place. It is also rumored that the Queen will soon apply for admittance into the "Golden State."

Re-organized

At the recent annual election of officers of the California Mutual Life Insurance Company, all of the old Board of Directors were re-elected for another year. L. L. Robin-

From Coast Review 41 Years Ago

son, Esq., was elected President, *viz.* Mr. Butterworth term expired; Col. Holt was again re-elected Vice-President, John Crockett, Secretary, and W. R. Wheaton, General Agent. Mr. Ball still retains his position as Superintendent of Agencies. The directors and officers of the company are alive to the importance of securing a largely increased business during the present year, and we bespeak for them and their company a liberal patronage. They expect to extend their agencies at once into the adjoining states and territories, and use every exertion to build up a large business.

Advertisements

Among the advertisements were these, "boiled down:"

One Greenhood, 7302 Sansome st., near California," in New England Mutual Life office.

Schrieber & Howell, general agents of Pacific Mutual Life Ins. Co.

Fireman's Fund Ins. Co. Assets, \$856,-787.70. Every Claim Growing Out of the Great Fire in Chicago has been Adjusted and Paid, Dollar for Dollar, thus presenting a record second to none. This tried Home Institution invites the support and patronage of the property-owners of California, who desire good indemnity and honorable and fair dealing in the event of loss. D. J. Staples, President. Henry Dutton, Vice President. Chas. R. Bond, Secretary. Geo. D. Dornin, General Agent. Cory Willisstun, Marine Surveyor. Skeels, Bowers & Boughton, Managers Eastern Department.

Widow & Orphan Fund Life Ins. Co. \$541,402 Assets. E. D. Farnsworth, President. T. L. Marshall, Secretary. Pacific Branch, 7 Stevenson Bldg., S. F. Chas. N. Fox and Z. P. Clark, Managers. J. D. B. Stillman, M. D., Medical Adviser, San Francisco. Directors: John B. Harmon, Nathan Porter, T. Rogers Johnson, C. N. Fox, Z. P. Clark.

The State Investment Insurance Co., 409 California st., S. F. Tyler Curtis, President. Peter Donahue, Vice President. T. N. Cazneau, Marine Director. Chas. H. Cushing, Secretary.

Union Insurance Co. Capital \$750,000, Assets exceed \$1,000,000, Gold Coin. Chicago Losses Paid, over \$490,000 Gold. The Union comes out of the great Chicago Fire Solid and Reliable, having paid its liabilities Dollar for Dollar.

Chas. D. Haven, Secretary, N. G. Kittle, Vice President, Gustave Touchard, President.

Imperial Fire Insurance Co. of London. Only English Company represented in America doing a Fire Insurance business, with ample cash capital and large accumulated funds, not liable for Life or Marine Losses.

Falkner, Bell & Co., General Agents for Pacific Coast, 430 California st., San Francisco.

Most Direct Route to Europe. Allen Line of Ocean Steamships. L. B. Edwards & Co., 535 California st., S. F.

(These reproductions will be continued in succeeding issues of this journal.)

New Firm

Frank E. Perrin, Esq., the popular and successful life solicitor, recently from the East, where he was connected with the Etna Life Insurance Company, has gone into the general agency of that company in this city, with the former General Agent, Mr. Morse. The firm is Morse & Perrin. Mr. Perrin is a live, energetic agent, and he will doubtless greatly increase the business of his company on this coast.

Advertising Rates

Whole Page	\$400 per annum.
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Advertisements payable quarterly *in advance*, in gold coin.

Except statements and notices, no advertisements taken for less than *one year*—copy changed whenever desired.

J. G. Riley,

Editor and Publisher

The Attitude of Present-Day Insurance Supervision

The largest aspect of all is the one which must, in the briefest possible words, be mentioned first. I refer to the tremendous change which has taken place during the last ten or fifteen years in the attitude of the public mind toward government. Instead of regarding that institution any longer as a necessary evil, of which there should be just as little as possible, people think of government nowadays as a potential source of practically every blessing. This is intelligible enough, too, when you consider that the old distrust of government prevailed among the masses of the people at a time when governmental functions were still pretty generally in the control of a small privileged class, and that the new fashion of turning to the sovereign power for relief from nearly every hardship attendant upon life in the world, commenced with the downfall of the privileged classes as the real sovereign. Today the man in the street is eager to have government go as far as it will in regulating and controlling, in managing and conducting, enterprises which once were looked on as essentially matters of individual and private concern. Curiously enough, it is now organized wealth, once so potent in the affairs of government, which is very apt to be saying—although perhaps in a whisper—that the activities of government should be greatly abated and curtailed. Thomas Jefferson seems to have gained quite a few disciples recently among the multi-millionaires.

Either Supervision or State Insurance

This change in the popular attitude toward government simply has to be taken into account in determining what insurance supervision in this age and generation should consist of. If no such phenomenon had ever occurred as the present drift toward socialism, if the insurance scandals of ten years ago had never occurred—if, in other words, a whole lot of water that has flowed under the mill had not flowed—then perhaps we might profitably discuss the question whether insurance supervision as we now know it in New York should be made more lax than it is in view of the very high and honorable plane on which the business of insurance is

now, in most of its larger manifestations anyhow, being conducted. But when we know perfectly well that in the present temper of the people the old lax sort of supervision would be looked on as precisely equivalent to no supervision at all, and that supervision of some sort is now regarded as an absolute prerequisite to the continuance of the business of insurance in private hands—I hardly think that, as practical men, we will spend much time talking over any proposal to turn the clock's hands backward in regard to the quality and comprehensiveness of the insurance supervision in which the state shall hereafter engage. I think we will agree that the only supervision which will henceforth be tolerated is the sort that is called strict as distinguished from the sort that is called lax; and, with that for a starting point, will endeavor to determine what the precise channels of strict supervision are through which, in the coming years, the energy and intelligence of state insurance departments can best be directed.

Spirit of the Examination Not a Matter of Law

We shall find at the outset that by no means all of these channels have been defined by law at all. Even where they have been broadly laid out, there exists a good deal of uncharted middle ground where the question of how far departmental activities should extend is left, and necessarily must be left, to the discretion of the superintendent of insurance. Take, for instance, that very important branch of an insurance department's duty, the examination of companies. That is a duty imposed upon all supervisory departments by law, but the question of the thoroughness with which such examinations are conducted—the question of their scope and completeness—rests entirely in the discretion of the man who is at the head of the insurance department. Any sort of supervision—the most lax as well as the most strict—compels the department, we will say, to conduct a periodical examination of the companies, but the extent to which you as company men have any practical interest in the matter depends upon the spirit in which the examination is conducted. That isn't a matter of law at all. Now in this matter of company exam-

inations—if we are correct in thinking that the spirit of the times requires strict supervision rather than lax, the duty of insurance departments for the future seems to be tolerably plain. I should say that the standard which the New York department now tries to live up to in this regard is the one upon which the public may be expected to insist for many years to come. Examinations by American departments of supervision will never again, I imagine, be mere audits of company figures. Whether rightly or wrongly, they will never again, I imagine, stop with merely finding out whether or not a company is solvent. They will go into questions of management pure and simple, as distinct altogether from the question of solvency. Administrative matters will be discussed, economies will be suggested, the company's attitude toward its policyholders in the settlement of claims will be fully considered. That is what the public now expects, and it will never, I think, be content with anything less. And it will all be attended with a publicity such as was never known in the old days. That is the meaning, in other words, of strict supervision as applied to such a question as the examination of companies by an insurance department. It means, simply, that—however it may have been in the past—we in charge of insurance departments now are expected to enter pretty boldly into fields where perhaps our jurisdiction has not been fully defined, and from the companies what it calls for, it seems to me, is cheerful acquiescence in that attitude—a recognition, at least, that it is inevitable.—From Address by Supt. of Insurance Wm. T. Emmet of New York, at Meeting of Life Insurance Presidents.

Life.—The Prudential has resumed writing term business, which was temporarily discontinued, to prevent exceeding the \$150,000,000 new business limit.

New Zealand's fire losses in 1911 were \$3,040,000 against \$2,615,000 in 1910. The inspector of fire brigades finds these figures by adding one-third to the insurance loss. Insurance losses made the same increase—that is, about 17 percent. The fire waste is over \$5 per capita.

Why Our New Government Buildings Are Ugly

Unfortunately we have to record one experience of a quite different nature (says Walter Cook, president of the American Institute of Architects). The Tarsney Act, authorizing the designing of our government buildings by architects, has been repealed; and for the moment these great monuments of our country have been handed over to an official factory, to be turned out by the yard; for whatever the talent and the ability of the Supervising Architect of the Treasury, this is what must of necessity result. Nothing of this sort has ever happened in any civilized country, so far as I know, unless our own unhappy experiment of years ago may be considered an exception.

Department of the Interior

Bulletin 49 City smoke ordinances and smoke abatement, by S. B. Flagg. 1912. 55 pp.

Technical paper 27. Monthly statement of coal-mine accidents in the United States, January to August, 1912, including statistics for 1910 and 1911, compiled by F. W. Horton. 1912. 24 pp.

Technical Paper 29. Training with mine-rescue breathing apparatus, by J. W. Paul. 1912. 16 pp.

Miners' Circular 9. Accidents from falls of roof and coal, by G. S. Rice. 1912. 16 pp.

Miners' Circular 10. Mine fires and how to fight them, by J. W. Paul. 1912. 14 pp.

The Bureau of Mines has copies of these publications for free distribution, but can not give more than one copy of the same bulletin to one person. Requests for all papers can not be granted without satisfactory reason. In asking for publications please order them by number and title. Applications should be addressed to the Director of the Bureau of Mines, Washington, D. C.

Marine.—European underwriters will hereafter exclude from liability losses or damages caused by strikers, locked out workmen or persons taking part in labor disturbances or riots or civil commotions.

THE BLUE SKY LAW

Before The Colorado Association of Life Underwriters, January 4, 1913, Upon the Occasion of Their Annual Banquet Held at the Albany Hotel, Denver, Colorado, by Edwin Starkey Deputy Commissioner of Insurance, State of Colorado

Mr. Toastmaster and Gentlemen:

Laws are made to meet conditions. Legislative acts are passed, amended or repealed to meet certain objectionable conditions in which people or classes of people find themselves, and are remedial rather than declaratory in their character.

In a democratic, representative form of government like ours—of, for, and by the people—it is but natural that there should be no dearth of proposed bills coming up for passage at each session of the law-making body of the state. Many of these are without merit; others are the product of special interests, and deserve to be defeated; while still others may be described as class legislation, designed to benefit the few to the detriment of the masses. But I am optimistic enough to believe that most proposed legislation is born of honest hearts and minds, actuated by sincere motives, and is brought about by the activities of an energetic people, coupled with the contingencies of rapidly changing conditions in the field of commerce and political economy.

The fact that economic conditions arise which need correction by legislation is but another evidence of the aggressiveness and frugality of the American people; of that almost insatiate desire for wealth, fame, position, honor, accomplishment and power which has in so large a measure seized us all. I do not mean to speak disparagingly of these national traits; they are, on the whole, commendable virtues. The individual, the nation, or the institution that is not going forward is going backward.

We, of course, have always with us the "get-rich-quick" citizen, with his combinations and pretty schemes. But it is not this type with which I am dealing, particularly, in this article. The prison walls yawn for such fellows, and will get most of them in time.

It is the "near-undesirable" citizen—the high-toned stock salesman who lets his desire for personal gain and advancement get the upper hand of his better judgment and strict regard for veracity—who needs to be curbed into rationality.

To accomplish this is the object of the Blue Sky law—a proposed act for the control and regulation of any corporation which assumes to sell its shares of stock to the public. It further contemplates, not only the examination into the plans, purposes, financial condition, and general merit of the stock company, but also the provision that stock salesmen shall comply with certain standard requirements, and be licensed by, and amenable to, the regulating commission or supervising official of the state.

Investment or Profit Not Guaranteed

It must be understood that this state supervision does not and cannot mean a guaranty of investment or of profit. In this possible misconception of the proposed law lies a danger. The Blue Sky law, now in force in two or three states, and up for enactment before the incoming legislatures of at least two-thirds of the states of the Union, provides, as already explained, for the creation of a state department to which all stock-selling schemes shall be amenable. The companies shall be required to make certain filings, and to submit to examination and investigation by a supervising official. All inquiring citizens will have access to the public records, and receive the benefit of authentic information and findings as compiled by the department.

With these facilities placed at his disposal, *the individual must then make up his mind to buy or not to buy, on his own judgment and upon his own responsibility.* It is *not* proposed to burden the state, through its supervising official, with the responsibility of deciding for the prospective investor whether this or that venture will be a profitable one; it is *not* the intention of the act to compel a state official to place his stamp of approval on a project, without the right to cancel or revoke; it is *not* the plan that a certificate shall issue over the seal and signature of a public official, to be taken as *prima facie* evi-

share of high commercial value, stability of investment, and future profits.

Care in Wording of the Law

Members of the legislature of this and other states should see to it with care that the act is wisely worded, to the end that the supervising officials be given reasonable discretionary power, and that they be not required to issue some meaningless document or certificate, armed with which the stock salesman can go forth and use it as an argument that "the state positively guarantees your investment."

In Colorado the need for such regulation as is offered by the proposed law is apparent. Ours is a fast-growing state, and with untold resources yet undeveloped there is need for people, money, companies, corporations—the promoter, if you please; because it takes the man with the advanced ideas; the dreamer who sees the hidden, the potential; the man with energy and determination; the prudent man, yet not afraid to take a chance, to effectively develop a new and resourceful state like ours.

These very conditions in themselves make necessary state supervision and regulation—that the "wild-catter" may be forever eliminated; that confidence may be established; that our growth may be of the substantial sort; and that our commercial interests and institutions may indeed be "founded upon a rock."

We of the insurance department of the state of Colorado feel the need of the Blue Sky law, and contend that all insurance companies incorporating in Colorado, or endeavoring to sell stock in this state, should be under the supervision of this department *before the stock-selling period.*

The statutes at the present time require the commissioner to issue a "commission to open books for the sale of stock"—and abruptly stop there. It is not until such time as a company can qualify as an insurance company, and is prepared to assume risks of indemnity that the department's supervision begins.

The intervening period, however, is just the time when the damage is done in many instances. Stock is sold, at varying increases or pay by the stock salesman, who is not

required by law to be licensed, and is therefore not directly amenable; figures and statistics are often misquoted and distorted; the purchaser is frequently led to believe that immediate and large returns will be realized; he is, perhaps, induced to purchase a large amount of stock, making a small cash payment, and giving his notes for the balance, upon the promise that the profits from his share in the business will retire the notes in a short time.

50 Per Cent Commission

Commissions paid for selling the stock, and other expenses incident to the promotion of companies, equal from 30 to 50 per cent of the total amount received from the stock purchasers.

The company starts off in high glee—at the top of the ladder instead of the bottom, in so far as salaries and expenses are concerned; and the purchaser of the highly embossed certificates of stock in due time receives notice from his local banker to call and take up certain notes which have been discounted with him.

Then the heart-aches begin. The purchaser, putting on his glasses, for the first time carefully inspects his certificates of stock, and discovers, to his surprise, that he is the owner of stock in an insurance company. By careful inquiry he learns that there is an insurance department at the state capitol, and he hies himself thither, only to be apprised of the cold, cruel fact that the department is maintained for the protection of policyholders—not stockholders. He also learns that 40 percent or more of all he paid the company has been used for promotion expenses.

But why go on with this imaginary, yet intensely realistic case?

An insurance company, when just starting, is not unlike any other commercial venture. The same careful, conservative, business-like management must be administered, in addition to the particular scientific, actuarial care it requires.

I do not mean to compare the business of insurance, especially life insurance, with mercantile enterprises; yet there are certain fundamental principles underlying the origin

and successful operation of all social and economic institutions. The same economic problems which face your grocer must be met, in principle at least, by the president or manager of your life insurance company. The same character of frugality must be practiced by any insurance company—especially in its incipency, when its success is all in the future—as is commonly employed by any successful commercial venture.

There is room in the growing West for the organization of other insurance institutions, if founded on a proper basis, and it is hoped that by applying the "Blue Sky" remedy, promotion expenses may be so limited, and the whole proposition of promotion of new companies so standardized and safeguarded, that investors may, in time, realize fair returns and insurance companies so conducted that they will furnish real indemnity to their constituency, and merit the respect and confidence of the public.

Manhattan Life Officials Hold Conference With New York Superintendent Relative to New Control

The officers and some of the stockholders of the Manhattan Life of New York held a conference with Superintendent Emmet of the New York insurance department last week relative to the attitude he had taken toward the new element which has obtained the controlling interest in that company by the recent purchase of stock by the interests headed by T. E. Lovejoy of Montgomery, Ala., president of the Montgomery Banking and Trust Company of that city. The syndicate is understood to have paid \$275 a share for the stock which has a par value of \$50, and on which a dividend of nineteen percent was paid last year. The change in the control of the company was announced several weeks ago, and confirmed by President Morris W. Torrey, who is a personal friend of Mr. Lovejoy. Col. E. E. Greene, the Texas general agent, who received a notice to the effect that his contract with the company would be canceled, owing to his activity in an alleged plan to gain control of company in order to elect him president, has been reinstated. Col. Greene is

not connected with the new management, it is said. The new stockholders are prominent business men of the country who have bought the stock as an investment, and propose to co-operate with the present management in furthering the interests of the company.—The Spectator.

Stockton's Fire Department Rotten

This is the headline in the Evening Mail of Stockton, Cal., Jan. 21. "Antiquated apparatus and village system in vogue." "Insurance rates cannot be lowered with junk for fire engines." "The present engines, except the automobile, have been in constant use for from 25 to 35 years. At the conference of officials, business men and underwriters there was much plain talking and on admission of a very inferior fire department unworthy of a thriving city of 25,000 people.

The fire chief says when a fire alarm sounds the firemen "hold their breath for fear something dreadful will happen," and that if another fire should break out at the same time it would be impossible to save both buildings.

The mayor gravely asserted that it would be well to dump all the old engines into the slough. Not one can pump more than 500 gallons a minute and is likely to break down in the effort. He said if his house caught fire he would not expect it to be saved. Not only is the equipment of the fire department old and bad but there are not firemen enough.

Bonds for new engines are urged. District Manager Du Val was present at this meeting and said that if the city would add a high pressure system or three modern fire engines he would recommend a substantial reduction in rates.

Idaho Fire and Frozen Pipes

According to a press dispatch, St. Anthony, Id., had a bad fire on Jan. 22. There was a high wind and freezing temperature. The firemen had to build fires around the fire-plugs to thaw them out. The Hamer, Chase and Kruger buildings were destroyed.

A Bit of Sharp Practice Arson Exhibit in Little Old New York

The "ars in exhibit" in New York is attracting general notice. There were about one seventh of one thousand policies, dressed in their standard best, each insuring household furniture for \$500 or \$700 or \$1,000, and bearing a label to the effect that "this policy covered furniture worth about \$5. Another exhibit was a gas stove, two chairs and a little trash on which the alleged owner had secured from many brokers a total of over \$100,000 insurance, it was asserted. The purposed moral of the arson exhibit is this: the companies for a profit of 10 cents should inspect, scrutinize and otherwise examine carefully every household risk paying a \$2 premium. The alternative seems to be a denial of furniture insurance to every poor man.

The city fire commissioner is in charge of the "exhibit," and the mayor drops in to shiver over the great danger for which insurance men are of course directly responsible. The fire marshal's office rented a room far out and placed \$3.44 worth of furniture. Broker after broker was invited to and of course did place a small policy on the stuff. His 30 cts. commission would not justify time and fare and a ride of a 100 blocks to inspect the hhf. Altogether the marshal's office placed \$60,500 insurance on the one item hhf. The firemen then rented a remote room and installed 25 cts worth of household goods, on which they easily secured \$40,000 worth of insurance from about 100 brokers. To procure this insurance in small amounts it was not necessary to have any furniture; it is not necessary in any great city.

It does not seem to have occurred to the mayor nor the fire department that

not a cent of this insurance could have been collected; nor that if the actual value had been in the house it all could have been removed just before the fraudulent fire.

Papers for Sale by the Fire Underwriters' Association for the Benefit of the Library Fund

Insurable Interest and Sole and Unconditional Ownership, with legal references.

Clauses and Permits: Their Use and Abuse.

Proper Vice. These papers are for sale at 25 cents each. The entire proceeds of the sales are to go to the library fund of the Fire Underwriters' Association of the Pacific.

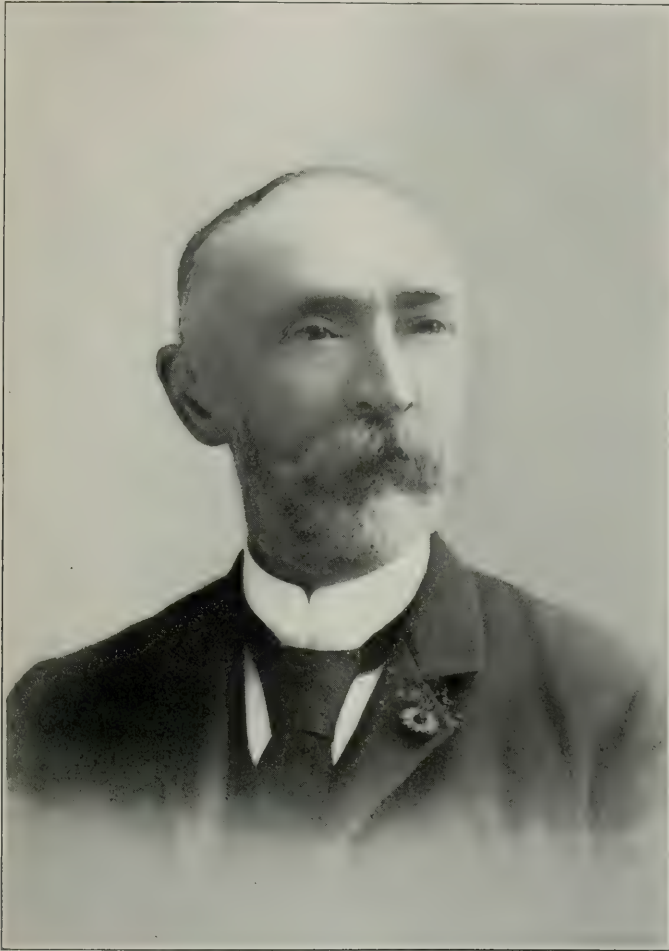
Address Librarian Moore, Merchants' Exchange building, San Francisco.

These papers are of special value to specials, locals, adjusters and all interested in the legal aspects of fire insurance. The author is T. H. Williams, who has had many years' experience in the business and is a recognized authority on these subjects.

Message Lacking a Little in Dignity

We were sorry to read in the message of the governor of California to the legislature such words as "the greed of the insurance companies." He referred to liability companies and was speaking of the new workmen's compensation law of the state. The liability companies, which have been making no money at existing rates, are, according to our Hiram, "greedy corporations" because they decline to write insurance at a known loss. We account for the governor's bad break only by assuming that his son's law partner, Mission Matt, coached him when he wrote this rather feeble part of the message.

Since 1859 Mr. Haven has lived in California. He is in excellent health and will be 77 next month. In 1865 he was elected secretary of the Union Insurance Co. of San Francisco. In 1881 Mr. Haven resigned this position to accept that of resident secretary of the Pacific department of the Liverpool & London & Globe Ins. Co. After holding this position a little over thirty years, he retired a year ago. In 1870 he was elected secretary of the old



CHARLES D. HAVEN

Board of Fire Underwriters, and in 1896 he was elected president of the new Board, and retained that position of honor and usefulness sixteen years. Expressed in round numbers, he was engaged in fire insurance, in a representative capacity, for forty-seven years and has the satisfaction of reflecting that both his companies paid their great conflagration losses in full. Mr. Haven retired to private life, with a liberal allowance by his company, and with the profound respect and cordial good wishes of all his business associates.

LIFE ITEMS

Western States Life-stock has dropped to 10 bid. We expect it to fall to 8. The par value is 25. Counting dividends or interest missed, the unhappy stockholders of this California company appeared to have "sunk" \$20 out of every \$25 paid for shares of the capital stock.

The Metropolitan Life will distribute \$6,281,371 in bonuses to industrial policyholders this year. These bonuses are premiums and mortality.

There is now enough surplus to spare for the seventh increase of capital by the Aetna Life. Why not turn over all the surplus as a stock dividend to the stockholders? Virtually all of this company's capital was created out of the surplus.

The Columbian National Life of Boston advertises that it has shown greater progress during the first ten years of its existence than any other American life insurance company, and is financially larger and stronger today, in income, assets and business in force, than was any life company in this country at a similar period in its existence.

President Kingsley of the New York Life announces \$119,243,366 income for 1912. Virtually all the money legally spendable for new business was spent. Of the \$749,657,050 assets, the sum of \$11,553,150 is invested in loans on real estate in the Pacific West, chiefly in California, Washington, Oregon, and Utah. There are no loans on Idaho, Montana, Wyoming, Arizona and New Mexico real estate.

The New England Mutual Life had in 1912 the best year in its history. The new paid-for business was \$34,703,430.

It is stated that John F. Roche will be a vice president of the Manhattan Life. Mr. R. was formerly connected with the Pacific Mutual officially.

The Met-governor of Wisconsin has dismissed the insurance commissioner for pernicious activity in politics in favor of the bolting branch of the Progressives. The late superintendent favored life insurance by the state.

"Life Insurance Stories" is the title of a "rich pocket" book of more than 100 pages. Some of the titles are these: A Nose for Prospects, The Steam Roller Method, Meeting Opportunity Half Way, For Lack of Asking, A Pot of Gold in a Cow Path. This little book is suggestive, in a practical way, and its contents shine like free gold.

Rough Notes Co. of Indianapolis, Ind., is the publisher.

The "way out" for the life solicitor is not to seek the prospect way out but to confidently look for him near by.

The percentage of lapsed policies has decreased with the Prudential a feature which is specially gratifying to that company, as a result of the constant effort to so conduct business as to show the greatest persistency of business.

The Union Mutual Life Ins. Co. recently paid endowment policies in Foo Chow, China; Washington, D. C.; Golden, B. C.; Tombstone, Ariz.; Sacramento, Cal., etc. Death claims were paid in Montreal, Seattle, Toronto, Albuquerque, San Francisco, Regina, Saskatchewan, Leith in Scotland, Waco in Texas, Chicago, Baltimore, etc. These cities are many miles apart. Among the occupations of the insured were: priest, mine elevator operator, president of a fire ins. co., president of a telephone company, clergyman, farmer, draughtsman, laborer, conductor, merchant, bank cashier, dress maker, carpenter, osteopath. Thus does it appear that all sorts and conditions of men seek the pleasant protection of life insurance.

Since its organization in 1875 the Prudential has paid over \$24,000,000 in compensation to its Newark employees. It is probable that 10,000 people depend upon the employees of its home offices for their livelihood.

Some indication of the immense amount of detail work transacted in home offices of the company may be gleaned from the fact that every week over 40,000 applications for new insurance and revivals are received from the field staff in the United States and Canada.

The company pays over 400 claims per day, a large percentage of which are paid within 24 hours of the time of death.



WM. H. LOWDEN

**For Many Years Pacific Coast Manager for the Norwich Union Fire Ins. Society. A Native of Belfast, Ireland
Died November 11, 1912, in his 67th Year.**

Mr. Lowden began his insurance career in the office of the Home and Phoenix in San Francisco in 1869. For twenty years he was in the office of the North British & Mercantile, and for a number of years was the branch secretary. He traveled a great deal for the company, and contributed valuable papers at the annual meetings of the Fire Underwriters Association of the Pacific. On January 1, 1896, he was appointed manager of the Pacific department of the Norwich Union.

Why Not Permit an Additional Standard Policy

The New York standard form of policy is defended by underwriters as a contract which has stood the court tests of thirty years. Its defects, however, are admitted. Would it not be wise to permit the use of a second approved policy form? The latter

could then be tested in the courts, and if approved could later be adopted as the sole legal fire policy.

Spokane.—It is feared by the authorities that the firemen will start an eight-hour or double platoon movement, as Seattle now has the double platoon.

Berkeley, Cal., School Insurance Goes to Obscure Companies at a 40 Per Cent Cut

The Board rate on public school buildings in wooden Berkeley is \$1.25 for three years. The authorities invited bids. As this class of property burns easily and completely, the Board companies bid the present rate. The North River fleet sailed in and cut this rate, but the captain was mortified to find a new piratical fleet, the Freeingbrysen, had taken the wind out of his sails with an offer of 75 cents for three years, carrying a liability of \$355,000. R. T. Vent was the adventurer who risked his little companies' funds. Local agents get no commissions. In one large California city (Sacramento) this class of business has had a loss ratio of 25/30 percent.

The companies thus writing "over" the locals at a foolish cut rate are not first class. None was in San Francisco at the time of the big fire. Two were not long ago on the verge of dissolution and were reorganized. These companies are the Greenwich, the Ins. Co. State of Penn., Pacific and Stuyvesant. The State of Penn. lost money for years and its withdrawal from business was announced. It is now a consolidation of several companies. The Greenwich lost money for years, and was taken up by new plungers after retiring from business. The Stuyvesant has had a checkered career. It made no underwriting profit last year. The Pacific made no underwriting profit in 1911. The Ins. Co. of State of Penn., alleged to carry most of the risk, had an 80 percent loss ratio in 1911 and a 38 percent expense ratio, making an outgo of 118 percent of the premium income. The figures of 1912 are not yet published. But we believe that Vent's bid of 75 cts for three years was too high for the indemnity offered. The Berkeley schoolmen have not acted like business men. But of course they are not business men.

The socialist mayor made a monkey of himself, as usual. He, in heat, shouted: "I think a laundryman is a much more useful citizen than a real estate man."

You say you have no time to read. This is serious indeed. You are working too hard. Every day you invite a stroke of paralysis.

A high pressure system is being installed at Modesto, Cal.

Tyson's Companies

The old Phoenix of Hartford (Geo. H. Tyson, Pacific Coast general agent) reports a good year with an increase of about \$400,000 in assets and \$500,000 in net surplus.

The big German American, of New York, reports another successful year. Net surplus increased from \$8,802,000 to \$9,500,000. Surplus to policyholders \$11,500,000. This company has been represented for over a quarter of a century on the Pacific Coast by General Agent Geo. H. Tyson.

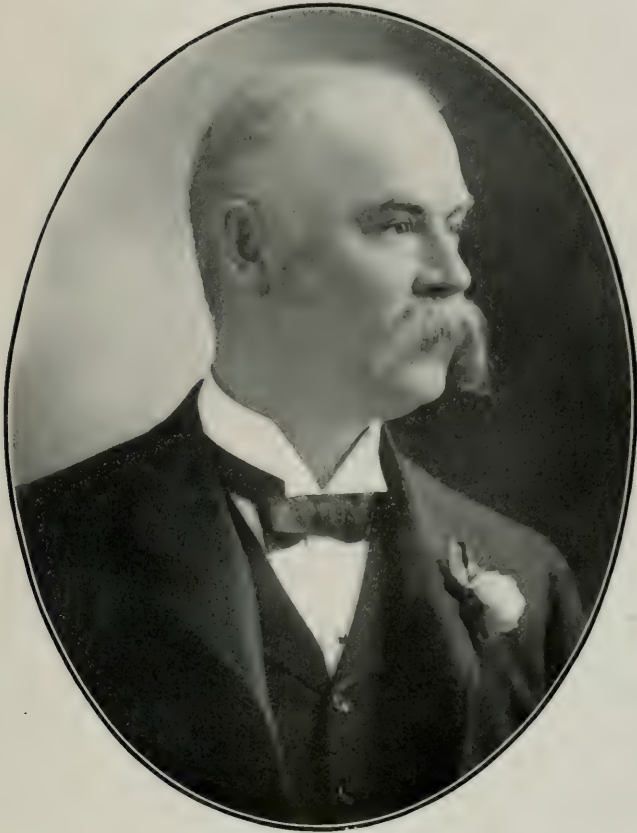
Inadequate Insurance Usual

A man may have his life insured for a limited amount, but far inadequately (says The Union Mutual). The question from this standpoint has less consideration than it ought. Because one policy for a small sum is possessed, it should never be permitted to stand as sufficient. Give thought to the situation of the family if death should come unforeseen. How long could they exist upon a single thousand dollars, and what would be their situation thereafter?

Automobile.—It is expected that New York will authorize companies to completely cover the automobile hazard under a single policy, but provide that the company shall reinsure at once so much of the hazard as its charter does not permit it to insure. The reinsurance agreement must be filed with the state insurance department.

Representatives of the Board of Fire Underwriters who attended a heart-to-heart meeting of the citizens of Stockton, Cal., were treated to some unconventional opinions about themselves and fire underwriters generally. Messrs. Du Val, Mathews and Roberts actually blushed, 'tis said. One critic boldly asserted they would actually try to add money to the companies' surplus by their reports.

The new Equitable building in New York will have 46 public elevators and several private elevators for tenants occupying two or more floors. The building will be 489 ft. high, and will extend from Broadway to Nassau and from Pine to Cedar.



EDWIN C. MORRISON

The late general agent of the Aetna Insurance Company, who died on December 2, 1912, aged 62.

Mr. Morrison was for many years regarded as the leading special agent of the Pacific Coast. Probably no field man ever had more or warmer personal friendships among local agents.

Standard Directory

About 1,000 pages are required to make a complete directory of the New England insurance field, and the Standard Pub. Co. of Boston, Mass., has done the work admirably. Towns, populations, fire departments, companies, agents, and also brokers.

Lloyds of London

The criticisms appearing from time to time against underwriters at Lloyds, London, in these pages, are almost wholly directed at

the Lloyds writers of fire and miscellaneous policies, which are essentially gambling contracts because they are not based on statistics nor guided by experience. Marine underwriters at Lloyds have statistics and put up a \$25,000 deposit. Fire underwriters have neither.

The pardoning power should be taken from a governor and placed in the hands of a committee of honorable men free from political influences and ambitions.

Pennsylvania Fire Gains

Manager Osborn has received these chief figures of the Pennsylvania Fire:

Assets, \$7,855,611; surplus to policyholders, \$3,082,697.

Assets gained \$233,512, and surplus gained \$92,219.

Commercial Union Directors in Office Since 1876

Manager Niebling has in his office, framed, an interesting old-timer. It is a Commercial Union policy issued in 1876, and is the same "Colonial" form as that in use at the time of the San Francisco conflagration in 1906. Hamilton & Soemischen were the general agents, and the policy was on property in Central, Colusa co., Cal. Central was changed to Williams. Among the directors thirty-seven years ago in 1876, whose names were printed on the policy, were these four who are still directors of this London company:

Jeremiah Colman,
Fred W. Harris,
F. Larkworthy,
Alexander Sims.

Sometimes, editorially, very much to our regret, our duties to our subscribers require that we shall "step on the toes" of our friends and patrons. We must tell the truth and publish figures that hurt. A company writes wrecklessly or overmuch or has a long streak of bad luck, or some of the higher-ups turn out to be crooks; and when we comment on these things or publish extracts from the official examiners' reports, showing shady transactions or tremendous underwriting or investment losses, we discharge our duty to the public at the expense of our innocent friends, the agents and managers, who are the victims and not the beneficiaries of circumstances.

It is truly sad, but such is life on this hustling, grasping planet, where even city mayors turn on their friends at the dictation of the politicians who will first use and later abuse them.

San Francisco is nearing \$3,000,000,-000 bank clearings a year.

The Alliance of London does not contemplate resuming the writing of fire business in the United States. The stories of this company's willingness to buy an American company are without foundation.

Insurance Congress Committeemen. Commissioner Hathaway has appointed three members of the co-operating committee authorized by the Panama Exposition Co., to-wit: Wm. J. Dutton, president of the Fireman's Fund Ins. Co., chairman; Geo. I. Cochran, president of the Pacific Mutual Life Ins. Co.; E. C. Cooper, insurance commissioner of the state of California. The other two members of the committee will be appointed soon.

Where defendants, living in New York requested a Massachusetts insurance company to renew a fire policy, and that company accepted their proposal, and mailed them the policy from Massachusetts, the policy was not invalid because the company had no state license in New York. *Huntington v. Sheehan*, 100 N. E. 41.

F. C. Smoker.—The annual smoker of the Field Club was held in the San Francisco Commercial Club Rooms, January 13, at 7:30 p. m. A very agreeable evening was passed by members and guests. Secretary Coddling favored us with an admission card.

FIRE INSURANCE

A Story for Brokers

From The Surveyor

"I know," said the broker, as he took another sip of coffee, "that insurance brokerage, like kisses, is a matter of favor, but sometimes the favor is pushed to an extreme. How would you like it if your wife was compelled to kiss the hotel chef before she got anything to eat?"

"Now here is a case in my experience. I have a well-to-do client for whom I handle insurance on several large buildings in this city. One of the buildings has a mortgage, held by a life insurance company, not one of the very big companies either. The mortgage was at $4\frac{1}{2}$ percent and it came up for renewal this year. The company informed my client that they would have to charge him 5 percent to renew, that is the interest rate thereafter would be 5 percent if they renewed it.

"Now there is a man affiliated with that company who, for the purposes of this story, we shall call Hatter. He went to my client, casually as it were, and suggested a \$50,000 life insurance policy in the company. This led my client to complain of the raise of the interest on his mortgage by that company. Thereupon Mr. Hatter said that if my client would take the \$50,000 policy he would have the mortgage renewed at 4 percent. Now it happened, as you may say by a very remarkable coincidence, that the difference in the mortgage interest amounted to \$750 and the commission on that suggested policy was \$750. The condition was that Mr. Hatter should also handle the fire insurance on that building.

"My client called me in and we sat down and figured it together. Then I said to him: 'take him up—you can't beat that!'

"He took the \$50,000 policy from Mr. Hatter and the company renewed his mortgage at 4 percent.

"Now I feel more or less certain that when that mortgage comes up again for renewal Mr. Hatter will be on hand and suggest that my client allow him to do all the insurance on his other buildings. You see how it works? My client, who wants me to handle the insurance, says it is blackmail.

"Why should a life insurance company stoop to such low down favoritism of a grafter? This kind of collusion is unworthy of a big financial institution, and it is unnecessary; but it is done."

Special Meeting of the Mainland Fire Underwriters Association

In our December issue we referred briefly to this important meeting at Vancouver of 99 companies and underwriters, of which 79 were represented.

The motion to be considered on January 31, 1913, as presented by A. McCreery, is as follows:

Whereas, this association has from time to time voted favorably to admit to membership underwriters' agencies or annexes; and whereas, the constitution limits membership to fire insurance companies legally qualified to do business in British Columbia.

Be it resolved, that this association declares and acknowledges such action to have been ultra vires; and such agencies or annexes shall not be permitted hereafter to participate in the affairs of this association; and it is resolved, that any company now transacting business through more than one agent in any one city, town or village, within the jurisdiction of this association in its own or any other name be required to conform with the single agency rule, within a definite period to be fixed at the special general meeting January 31.

F. W. Rounsell, representing the British America, Liverpool & London & Globe and Phœnix of London, gave notice of motion that at this January special meeting he will move that sprinklered rates be taken out of

the tariff and that suitable arrangements be made to conserve this class of business for members of the association.

Anderson & Edwards Now Represent the Republic Underwriters

Thomas Edwards, formerly special agent at the San Francisco office, has been appointed associate manager of the Republic Underwriters of Dallas, Tex., in this field. Anderson & Edwards are now joint managers. This agency has been increasing its business in a substantial way.

Will the Parcels Post Increase the Fire Losses?

The new parcels post of the postoffice department, as graciously permitted by the express companies, is expected to greatly increase the business of the mail order houses. If it does that, the merchants of the small towns will find their sales seriously diminished in the lines easily supplied by mail order and cheaply sent and delivered by the parcels post. And the question is, Will this sudden and extensive loss of business affect the moral hazard of the small country store?

Cheap Fire Insurance

Cheap fire insurance is synonymous with weak indemnity, or no indemnity at all. The public will never seemingly learn this lesson (says Insurance World of Pittsburg.) The operations are more than a dozen so-called "mutuals" mainly located in Philadelphia, have caused the insurance departments to fly to the rescue of the public, which does not seem to be able to use good business judgment in selecting its fire insurance, and to put the gang of mutual promoters behind the bars. The mutual form of organization in fire insurance by reason of its being, theoretically at least, a body made up of persons who are banded together to pay each other's losses, escapes in a measure some of the more rigorous phases of supervision by the state insurance departments. For this reason this group of Philadelphia concerns, all under the domination of the same men, was able for

a long time to write millions in fire insurance risks, and yet it is said that they have never paid a loss! Of course, such a state of affairs in connection with a stock fire insurance company would be discovered in a matter of days, if not hours, and its existence thereafter would be limited to minutes. In fact, such a condition in a stock fire insurance company would be quite impossible. Sound fire insurance is worth the premium it costs.

Royal Exchange Assurance of London

Total assets are \$32,115,000. Deducting the \$21,283,000 life and annuity funds, we have left some \$11,000,000 as the general fund to which fire claimants look for indemnity. The company hopes to increase its fire premium income to \$5,000,000 before the bi-centennial anniversary seven years from now. The present fire premium income is some \$4,000,000. The loss ratio averages about the same as that of other large fire offices. The total premium income of the Royal Exchange is some \$8,000,000.

The New Zealand state fire insurance office operates at an expense ratio of 27.5 percent. The average for all Australasian fire offices is 35 percent. The average loss ratio is 49.3. The highest loss ratios reported are those of the New Zealand Ins. Co. and the New Zealand State Fire Ins. Office.

The supervisors of San Francisco have refused to pass an ordinance limiting the speed of vehicles of the fire and police department to 25 miles an hour. This refusal will probably result in the death of somebody.

The first world's insurance congress will be held in San Francisco on the waterside in 1915. If it isn't a success it won't be Commissioner Hathaway's fault. It is estimated that 1 percent of the population of enlightened countries derive their livelihood from "the commerce of insurance." (See Paul versus Virginia.) The importance of this congress cannot be exaggerated. Indeed, it might be called a great peace congress. Each congressman will give the world a piece of his mind, against war, the enemy of insurance.

TWENTY - SEVEN YEARS OF FIRE INSURANCE BY STATES

From The Spectator

Below will be found a tabulation showing the total results of the fire, marine and tornado insurance transactions in the respective states and territories, and in the entire United States, during the past twenty-seven years:

STATE	Premiums Received	Losses Incurred	Ratio of Losses to Premiums
Alabama	\$ 48,398,406	\$ 26,417,971	54.5%
Alaska (all business)	1,893,252	516,481	27.2
Arizona	7,870,091	4,323,016	54.9
Arkansas	34,840,416	20,098,918	57.6
California	259,100,197	271,400,497	104.7
Colorado	52,200,608	22,656,947	43.4
Connecticut	81,166,769	37,373,590	46.0
Dakota (all business)	4,621,443	1,913,424	41.4
Delaware	9,443,426	4,693,919	49.7
District of Columbia	13,351,303	4,988,469	37.3
Florida	28,873,762	18,770,271	65.0
Georgia	78,789,832	41,241,703	52.3
Hawaii (14 years)	6,880,743	1,392,367	20.2
Idaho	10,159,345	5,787,545	57.0
Illinois	427,262,448	213,527,009	49.9
Indiana	121,941,056	61,436,994	50.4
Indian Territory (all business)	6,007,012	2,961,302	49.3
Iowa	139,244,537	65,750,580	47.2
Kansas	75,164,364	41,099,871	54.6
Kentucky	86,082,888	51,176,873	59.4
Louisiana	95,994,160	50,840,025	52.9
Maine	58,531,082	37,354,043	63.8
Maryland	72,326,151	65,937,694	91.1
Massachusetts	389,254,208	189,821,584	48.8
Michigan	161,411,523	88,729,625	54.9
Minnesota	136,122,984	75,341,962	55.3
Mississippi	35,787,672	23,380,847	65.3
Missouri	163,789,509	91,442,775	55.8
Montana	23,679,330	9,357,277	39.5
Nebraska	64,083,329	29,867,180	46.5
Nevada	5,017,295	1,984,183	39.5
New Hampshire	34,769,628	16,884,490	48.5
New Jersey	150,332,104	75,751,044	50.4
New Mexico	7,234,978	3,702,772	51.1
New York	921,177,548	517,159,191	56.1
North Carolina	38,010,142	20,921,764	55.0
North Dakota (23 years)	24,360,569	14,713,582	60.4
Ohio	264,358,965	143,893,164	54.4
Oklahoma (21 years)	23,459,843	12,179,317	51.9
Oregon	45,068,452	18,286,587	40.5
Pennsylvania	423,101,159	226,245,756	53.4
Philippine Islands (8 years)	50,108	21,467	45.6
Porto Rico (10 years)	110,994	43,008	38.7
Rhode Island	126,494,379	27,585,948	21.8
South Carolina	26,716,567	15,615,621	58.4
South Dakota (23 years)	20,734,118	8,920,271	43.0
Tennessee	68,734,343	44,107,537	64.1
Texas	142,571,666	86,245,310	60.5
Utah	12,143,390	4,727,658	38.9

Twenty-Seven Years of Fire Insurance by States—Concluded

STATE	Premiums Received	Losses Incurred	Ratio of Losses to Premiums
Vermont	\$ 22,766,985	\$14,968,753	65.7%
Virginia	63,258,543	35,044,479	55.4
Washington	69,437,082	30,805,547	44.3
West Virginia	26,638,242	13,779,947	51.7
Wisconsin	144,185,528	74,859,617	51.9
Wyoming	5,092,595	1,665,920	32.7
Totals (U. S.)	\$5,364,423,500	\$2,971,687,882	55.3
Canada	307,653,142	181,952,389	59.1
Totals (U. S. and Canada)	\$5,672,076,642	\$3,153,640,271	55.6

Standard Mortgage Clause

Federal—Brown City Savings Bank v. Windsor, 198 F.28

A policy on mortgaged property expressly insuring the mortgagor in a stated sum, although it has a mortgage clause of standard form attached providing that any loss shall be payable to the mortgagee as his interest may appear and that as to the interest of the mortgagee only therein it shall not be invalidated by any act or neglect of the mortgagor, is primarily a contract for insurance of the interest of the mortgagor, and remains such so long as he does not violate its conditions, and it is only in case of such violation that the secondary contract takes effect for the benefit of the mortgagee alone.

Bankruptcy — Voidable Preference — Preferential Mortgage—Proceeds of Insurance Assigned to Mortgagee

An insolvent corporation within four months prior to its bankruptcy executed a mortgage to a bank to secure an antecedent debt under such circumstances as to render it a voidable preference. The mortgage required the bankrupt to keep the property insured and to assign the insurance to the bank, and provided that on its failure to do so the bank might effect the insurance, and that the sum paid therefor should be a lien on the property. At the time the mortgage was made, the bank applied for insurance, and on issuance of the policy paid the premium. The policy was issued to the bankrupt with a standard mortgage clause attached making any loss payable to the

bank as its interest might appear and providing that the insurance, as to the interest of the mortgagee only therein, should not be invalidated by any act or neglect of the mortgagor. A part of the property burned, and the insurance, less in amount than the mortgage debt, was collected by the bank which charged against it the amount of the premium paid. The bankrupt had not violated any condition of the policy to invalidate its interest therein. Held, that the insurance contract was no less a preference than the mortgage, and that its proceeds were a substitute for the mortgage pro tanto and recoverable by the bankrupt's trustee.

Decisions of this class, as we understand them, are correctly interpreted in *Smith v. Union Ins. Co.*, 25 R. I. 260, 265, 266, 55 Atl. 715, 717 (105 Am. St. Rep. 882), in which a mortgagee brought suit to recover upon three policies of insurance in the standard form, each containing a clause similar to the one in question here. Judge Douglas said:

"Now all the elements of such a contract appear in this new form. Taken together with the rest of the policy, the company insure first Thomas Cullam (mortgagor) for any loss which may come to him by reason of the destruction of the property described. This contract is subject to certain conditions appropriate to the relation of owner to the insurer. So long as this relation exists and these conditions are performed, the contract with Cullam is in force. If loss occurs while it is in force, it is paid, by direction of the mortgage clause, to Smith to the

The Fellows Are Giving Walter the Merry Ha Ha

She Phones Half Hourly; He Swears Out Warrant

From the San Francisco Evening Post, Jan. 15

Walter Speyer, general manager of the New Zealand Insurance Company, and one of the leading insurance men of the city, can insure a lot of things, but he cannot insure himself against the attentions of a pretty girl.

The girl in the case is Martha Freed, a young stenographer in the employ of the Bank of British North America.

Miss Freed will now have to explain to Police Judge Shortall why she persists in forcing her attentions on Mr. Speyer. Speyer is a perfect gentleman, and the attentions of members of the opposite sex who may be attracted by his beauty are distasteful.

He does not believe in making "dates" with young ladies with whom he is only slightly acquainted. Neither does he like to have them ringing up his office or his home. His upbringing has been perfect.

Speyer unfolded a terrible story of harassment to the court.

"This girl telephones to me about every thirty minutes of the day and about at the same intervals at my home until midnight," he said.

"What does she say?"

"She just wants me to take her out to luncheon and to dinner. It's a frightful situation."

Speyer submitted the following records of telephonic calls for yesterday: Four o'clock, 4:10 o'clock, 4:30 o'clock, at his office, and 6 o'clock, 6:30 o'clock, and every thirty minutes thereafter at his home, 2432 Washington street.

"Why, I'm only slightly acquainted with the girl, you know," volunteered Speyer. "It's highly improper and annoying. I don't know what to do to protect myself from her unwelcome attentions.

"I live with my mother and this is highly annoying to her also.

"I have pleaded with the girl to let me alone. She stops me on the street in public and persists in talking to me."

Shortall puzzled over the matter for some time, but there finally was no alternative but to issue a warrant for disturbing the peace, inasmuch as Speyer insisted that he must be protected from further unwelcome attentions from his ardent admirer.

Miss Freed lives at the Hotel Stanley, 1544 California street. She is spoken of at the bank as an efficient employe, who always pays strict attention to business.

"I did phone Mr. Speyer very often, but I did not know I was annoying him," said Miss Freed today. "Had I known that I was annoying him I would not have done it. I have known him casually for several years. He has already called on me and has phoned me. Recently he stopped telephoning to me, and I then started calling him up, asking him to meet me, as I wanted to tell him something."

Miss Freed refused to say what she wanted to tell Speyer. She declared that she was not betrothed to him and had hoped to become a better friend by meeting him.

From San Francisco Evening Post, Jan. 16:

Today Miss Freed, considerably worried over the embarrassment and humiliation to which she had been subjected, appeared in court. Her story of the affair was quite different from Speyer's version. She told Judge Shortall that she had first met Speyer while she was working as a typist in an insurance office. Miss Freed said that Speyer had called on her frequently and that he had been a persistent and ardent admirer.

At first she did not reciprocate his attentions, Miss Freed says, but gradually came to like him. Then, by a strange turn of romance, when Miss Freed discovered that she really loved Speyer, the latter, according to the young woman, became cold. About two months ago there was a petty quarrel, she said, because Speyer had not been very cordial to her. When he ceased his attentions on her and failed to telephone her, she said that she called him on the phone for an explanation.

Speyer was called to the witness stand and when asked whether he had ever called on Miss Freed at her home, replied that he "did not remember."

Miss Freed promised that she would cease telephoning to Speyer and her case was dismissed.

PACIFIC WEST FIRE BUSINESS**The Aetna**

Premiums, \$1,050,609; losses incurred, \$362,173, or 34.4 percent. Premiums in 1911, \$1,072,045.

E. T. Niebling

Premiums, \$631,701; losses, \$212,992, a loss ratio of 33.7. In 1911, \$634,336 premiums.

Wayman and Henry

Premiums, \$1,794,232; losses incurred, \$638,632, or 35.5 percent. Premiums in 1911, \$1,894,053.

James Wyper

Premiums, \$648,229; losses incurred, \$215,636, or 33.2 percent. Premiums in 1911, \$667,062.

Geo. W. Dornin

Premiums, \$769,533; losses incurred, \$313,309, or 40.7 percent. Premiums in 1911, \$708,883.

Home of New York

Including Colorado, total premiums in the Pacific West, \$1,526,118; losses incurred, \$582,877; loss ratio, 38.1. Premiums in previous year, \$1,582,854.

Liverpool & London & Globe

Premiums, \$962,998; losses, \$345,685; ratio incurred, 35.8. In 1911, \$1,039,816.

Christensen & Goodwin

Premiums, \$724,466; losses, \$335,433; loss ratio incurred, 46.3. In 1911, \$729,125.

Geo. H. Tyson

Coast premiums, \$1,433,533; losses incurred, 38 percent. In 1911, \$1,464,852.

J. F. Cobb

Premiums, \$183,047; losses incurred, \$90,089, or 43.7 percent. In 1911, \$106,084.

Edward Brown & Sons

Coast premiums, \$786,642; losses incurred, \$361,386, a loss ratio of 45.6. In 1911, \$844,304.

H. R. Mann

Premiums, \$465,647; losses incurred, \$187,278, or 40.2 percent. Premiums in previous year, \$505,905.

W. L. W. Miller

In Alaska, Hawaii, Nevada, Oregon, Washington and California, \$207,285 premiums and \$105,463 losses incurred, a loss ratio of 50.9 percent. In 1911, \$221,759. The British America does not write in California.

Vulcan Fire

Premiums, \$34,787; losses incurred, \$1,144; loss ratio, 3.8.

Firemans Fund

Premiums, \$1,364,514; losses incurred, \$717,463; loss ratio 52.5. Premiums of the Pacific department in 1911, \$1,512,633. Includes Texas and Arkansas, which report to San Francisco.

London Assurance

Coast premiums, \$745,858, and losses incurred, 39.8 percent. In 1911, \$644,339.

Atlas Assurance

Premiums, \$471,875; losses incurred, \$173,471, or 36.7 percent. Premiums in 1911, \$481,678.

Connecticut Fire

Premiums, \$498,526; losses, \$213,746, or 42.8 percent incurred. Premiums in 1911, \$508,384.

Edwin Parrish

Premiums, \$542,070; losses incurred, \$251,055, or 46 percent. Premiums in 1911, \$567,908.

Law Union & Rock

Premiums, \$176,932; losses, \$81,753; loss ratio incurred, 46.2. In 1911, \$171,849.

Norwich Union

Premiums, \$210,807; losses incurred, \$112,203, loss ratio, 53.2. In 1911, \$225,954. Does not yet write in San Francisco.

A. C. Olds

Premiums, \$326,861; losses incurred, \$138,295; loss ratio, 42.3. In 1911, \$331,944 premiums.

Catton, Bell & Co.

Premiums, \$373,689; losses incurred, \$210,060; loss ratio, 56.2. In 1911, \$429,509.

H. W. Fores

Premiums, \$176,143; losses incurred, \$59,795; loss ratio, 33.9. In 1911, \$185,800.

Pennsylvania Fire

Premiums, \$308,379; losses incurred, \$139,334, or 45 percent. Premiums in 1911, \$419,250.

T. J. A Tiedemann

Premiums, \$20,246; losses incurred, \$4,557, or 22 percent. Premiums in 1911, \$3,710. Retired company's figures not included.

J. F. D. Curtis

Premiums, \$180,472; losses incurred, \$72,071, or 39.9 percent. In 1911, \$103,732.

Chapman & Nauman

Premiums, \$150,144; losses incurred, \$40,753; loss ratio, 27.1. In 1911, \$45,635, one month's business.

amount of his mortgage, and the balance, if any, to Cullam; the amount paid to Smith extinguishes his mortgage debt fully or pro tanto. All this would have taken place under the old form of clause, and, when the conditions are as supposed, the new parts of the clause have no application. When Cullam parts with or loses his interest, fails to pay premiums, or violates the conditions of the policy, the new provisions become effectual. These deal with the interest of the mortgagee. 'This insurance *as to the interest of the mortgagee only therein* shall not be invalidated by any act or neglect of the mortgagor or owner,' etc., is the language which meets the new condition of affairs; and the closing paragraph conclusively shows that the subsisting agreement which springs into life when the contract with the owner dies is the familiar one of insurance of a mortgagee's interest—an indemnity for loss of the security—in which the owner has no part and from which he can claim no benefit. The contract thenceforth is between the insurer and the mortgagee only, and the relation of the original insured to the property, and his acts or neglect concerning it, are of no account. And the two contracts combined in the policy and the mortgage clause are separable and independent from the beginning. When the first fails, or if it never attaches, the second begins and proceeds subject to its own conditions and limitations. This construction has been adopted by all the courts whose decisions on the subject have been brought to our attention.'

It is to be observed that in the instant case the bankrupt did not violate any condition of the policy of insurance, and so was not in any respect in default upon the contract between it and the insurance company. True, as between the bankrupt and the bank, the bankrupt should have paid the premium in the first instance; but this did not concern the insurance company and did not impair its contract with the bankrupt.

San Francisco's '15 fair will open Feb. 20 and close December 4. This excludes all evil climatic conditions except the fog and the wind.

Doing an Unlawful Business and Their Policies Are Void

The Wholesale Grocers Indemnity Exchange, of which John C. Bardwell is the manager, is soliciting the "insurance" of grocers' property in California and promising, as usual, a low net cost. We are reminded of the Grocers Mutual of New Jersey, which made similar promises to the grocers of New York and New Jersey, and finally went out of business after compromising its loss claims at exactly 5 cents on the dollar.

The W. G. I. Ex. appears to be a new speculation of a man out of a job, who can't get business in his own state on the banks of the Mississippi, where he and his mutual exchange are best known. His use of the mail to victimize grocers 2,000 miles away should be investigated by the postal authorities.

Any policy written in this so-called exchange in California or other state in which it is unauthorized to do business is null and void. Only in its own state would the policy have any standing in court. In event of a loss the claimant grocer would be at the mercy of the "exchange" and its adjuster—if it had an adjuster.

If liability were denied, on any pretext, or if the compromise offer were far too low, the California "insured" grocer would have to travel to the Mississippi and employ attorneys and bring suit. And then, after weeks, if a favorable judgment were secured, the aggrieved grocer might find his Wholesale Grocers insurance humbug execution proof or busted.

It is a very significant fact that wholesale groceries have been unprofitable insurance risks by the stock companies, not a few of which will not write this class of business.

Are the wholesale grocers trying to bunko the retail grocers into paying an unfair share of the high losses of the former?

Santa Rosa, Cal.—The Sonoma County Mutual reports over \$4,000,000 at risk. It claims to have saved the farmers of the county one-fourth of the premiums before paid.

LIFE, CASUALTY, ETC.

Life Insurance Rebates — The Inner Circle Humbug

The following communication appears in the Courier of Petaluma, Cal.:

For the past few months a life insurance agent for an eastern company has been working various parts of Sonoma county, including Petaluma, Sebastopol, Santa Rosa and Healdsburg.

His method is to find men of some prominence and beside offering them the regular policy which is issued to all, he offers them an "Inner Circle" contract or deputies commission wherein the company agrees to pay back to these "Inner Circle" men 10 percent of all monthly payments received from members of said insurance company. There are not to be more than three hundred "Inner Circle" men in California. They may act as agents for the company or may simply allow their good name to be used to induce their friends and others to insure.

The promise is freely made to the "Inner Circle" men that in a very few years all they have paid in on their regular policy will be paid back by the 10 percent agreement and from then on, every year they will receive dividends.

The agent has a list of "Inner Circle" names which he shows to the man he wants to insure, and the man insures thinking he is getting the same proposition that the "Inner Circle" man has.

C. E. Cooper, our state insurance commissioner, writes in part:

"This is a practice once quite common among old line life insurance companies but which has been prohibited by law in nearly every state in the United States. Unfortunately California does not have a law of this character, and, therefore, while such a contract might be legal in this state, it is not looked upon with any favor by the insurance department."

Charles Johnson, insurance commissioner for Pennsylvania writes: "The anti-rebate or anti-discrimination law of this state unfortunately only applies to insurance com-

panies and cannot be construed to apply to those fraternal organizations."

The practice should not be allowed, but as long as it is allowed, people who are considering insurance should understand the proposition.

The Mutual Life recently paid a \$1,000 policy on which 63 annual premiums had been paid in the total amount of \$1,285. The death claim paid by the company, including accumulated dividends, was \$2,973. The return over cost realized by the heirs was \$1,688. The policy was issued in 1850. Faithful policyholder! Goodfaith insurer!

Window Smashing by Suffragists in England—Lloyd's Refuses to Pay

In the King's Bench division, the hearing of a claim by the London and Manchester Insurance Company, against a member of Lloyd's on a policy of plate-glass reinsurance was tried recently. The action arose through the destruction of a number of plate-glass windows in London by woman suffragists.

Counsel for plaintiffs stated that the question was whether certain damage deliberately caused arose out of civil commotion or riot. The amount of the claim and the damages had been agreed upon by the parties, so that the jury would not be troubled with that point. The plaintiff company insured a certain number of plate-glass windows, and their risk was covered by reinsurance with underwriters at Lloyd's, including Mr. Heath. In October or November of last year there were certain suffragist disturbances, and a number of plate-glass windows were broken. The plaintiff company applied to the underwriters, and received compensation without demur. They took out a fresh policy with the underwriters, increasing the amount. Later, the suffragist disturbances again broke out simultaneously at different points in London. The disturbances were created by a number of women who were in possession of hammers. Counsel maintained that there was

essentially a tumult, as people were going about with the intention of creating a disturbance. Possibly what they did had not amounted to a riot, but the jury could not doubt that there was a state of lawlessness in the streets at the time, when damage amounting to many hundreds of pounds was done, and that, he contended, was a civil commotion.

Cross-examined, witness admitted that the prime minister had stated, in answer to a question, that he was advised by the law officers of the crown that there had been no riot, and therefore there was no liability by the government.

His Lordship did not put the case to the jury. He said the question was a simple one, and if he was wrong the parties could go to the court of appeal. He was glad the question of rioting had been dropped because it was clear there was no rioting. Was there any evidence of civil commotion? He had decided to adopt the definition of Lord Mansfield in a case arising out of the Gordon riots. Lord Mansfield said a civil commotion was an insurrection of people for general purposes, though it might not amount to a rebellion where there was usurped powers. That case was miles away from the present one. In this case a party of women—he did not wish to express any opinion on their conduct—members of the Women's Social and Political Union, sallied forth to break a number of windows. They did their work, and when arrested went off quietly. There was no commotion in the streets, no uprising, and no sympathy shown for them. His Lordship was satisfied there was no case to leave to the jury on the question of civil commotion, and, on the second point, he said he did not believe the underwriters, by paying under a previous policy for similar damages, impliedly intended to give to the meaning of the words "civil commotion" that if the suffragists went forth again to break windows they would treat that conduct of theirs as casting upon them a liability under the words "civil commotion." He accordingly gave judgment for defendant, with costs.

The Pacific Mutual Life has over a million in San Francisco mortgages.

Railway Accidents in 12 Months

During the twelve months ending on June 30 of 1912 there were 10,585 persons killed on American steam railways, an increase of 189; and 169,538 were injured, an increase of 19,379. There were 8,215 derailments, of which, 1,877 were caused by defects of roadway and 3,847 by defective equipment. Both were largely in excess of the previous year. There are millions of rotten ties; there are thousands of worn-out cars. Freight trains are double the length of those in former years. Engines are far heavier. The speed of passenger trains is much higher.

We shall have to keep our accident policies in force as heretofore.

Benefits Under the British National Insurance Act

1. Medical Benefit.—Free doctor and drugs, etc., or cash equivalent.
2. Sickness Benefit.—Men: 10s per week (from 4th day, for first 26 weeks.) Women: 7s 6d per week (from 4th day, for first 26 weeks.)
3. Disablement Benefit.—After sickness benefit has ceased, 5s per week till age 70.
4. Maternity Benefit.—30s.
5. Sanatorium Benefit.—Treatment of tuberculosis at home or in sanatoria.
- 6.—Such additional benefit or benefits as may hereafter be provided.

May Assign Life Policy to One Without Insurable Interest—Questions for Jury

In Georgia the rule is well settled that a person has a right to procure an insurance policy on his own life, and to assign it to another who has no insurable interest on his life, provided it be not done by way of cover for a wager policy; and the intention of the insured in taking out the policy and in making the assignment, and of the assignee in accepting the assignment, are questions of fact for determination by the jury.—73 S. E. Reporter 602.

"Swat The Knocker"

From Office and Field

The slogan of a prominent official of a United States' company is worthy of generous praise and imitation. The elimination of the twister has done more than any one thing towards the friendliness of the companies and agents, and towards the solidity of life insurance. It has also tended to add greatly to the protection of the policy-holders.

The same man who suggested to "swat the knocker" practised his own sermon to the point where his advice cannot be considered mere words. In a former position he pasted a sticker to each policy issued by his men. It read:

"If this policy was sold you to take the place of another policy issued by this or any other regular old line company, DON'T ACCEPT IT."

That was putting into effect the greatest principles of honest life insurance.

Someone has come forward with an idea that should bring the twister to a speedy punishment. A "Rogue's Gallery" of twisters would ensure the non-employment of this disturber of conditions so far as life insurance is concerned. At any rate the insurance commissioners of the United States are making an effective effort to drive out the twister, and where the license of the agent is under control such a move is possible. Kight, a notorious twister who has operated in several states and been driven from one to the other, has been arrested in Pennsylvania on a warrant sworn to by the state attorney general's office. This man has been running what is known as the Kight Audit & Abstract Co., the stated business of the company being to advise policy-holders as to the quality of their policies. In every case the advice was to change the policy held for another in another company, and figures were given to show the profit that would accrue. As the payment to the Kight Company was to be a percentage of the saving, the basis of the plan could mean nothing but dishonesty. Kight is being driven from the United States, and may turn up in Canada. The Associations connected with life insurance in Canada are an-

ticipating such work by education and the spread of good-fellowship among their members.

"Swat the Knocker" is good enough for life insurance.

The Press

The Union Mutual Life's quarterly No. 4 is exceptionally good. It contains a half-tone of steamers unloading at San Francisco: Special Agt. Wray ready to leave Tuolumne, Cal., for the lumber camps. Other half-tones are excellent in subject and printing.

The Pacific Mutual News for December is a splendid Christmas number. Contents and letter press vie with each other for the palm of excellence. The Mexican pictures are timely and surprisingly good. We congratulate Editor Moore on his handsome specimen of the art preservative of all arts.

Consolidation.—The Fidelity & Deposit has secured control of the stock of the American Bonding Co. of Baltimore and the two companies soon will be merged. The A. B. was organized in 1894 and has been an active and successful company, paying 16 percent dividends. It has about \$3,000,000 assets.

Life.—The Postal Life, which reinsured the Provident Savings and does a mail order business only, has \$10,256,384 assets and \$10,029,510 liabilities. Capital \$100,000, surplus \$126,874. The company spends about \$30,000 a year advertising. Insurance in force, made up largely of the taken-over business of three companies, is some \$50,000,000.

Liability.—We think that the arrangement to return half of the net gain to the company under each policy of employers' liability insurance to the assured at the close of each policy year, as indicated in the form of "profit-sharing" endorsement submitted, is a dangerous approach to a gambling contract; that it certainly is not legitimate insurance business, or within the powers of corporations organized under the laws of this state; and that it is, moreover, dangerous to the company concerned from a business point of view.—Supt. Emmett of New York.

**Cincinnati Owners of the Hartford Life
Reinsure It—The Relic Will Perforce
Continue Its Assessment Branch**

About three months ago we called attention to the Cincinnati "trust" which had got control of three life companies, among which was the Hartford Life. We then said that one of these three would be soon taken over by its capacious fellow. A little later the Hartford Life passed its dividend to stockholders. It was evident that "something was doing." Possibly the minority stockholders of the Hartford Life were "done."

The legal reserve business of the Hartford Life has now been reinsured in the Missouri State Life. The total thus transferred amounts to about \$35,000,000.

How long now will the assessment branch of the Hartford Life, with its \$20,000,000 insurance outstanding, continue to do business at the old stand? Will there be a huge game of freeze-out?

Is the Missouri state insurance department more amenable to "reason"—and more sympathetic with the political control of a life insurance company, than is the Connecticut insurance department? Are the rights of the transferred Hartford Life policyholders better protected in Missouri than in Connecticut?

And hereby may hang another long tale.

Casualty. — The American Casualty & Security Co. of Baltimore has paid its final dividend, and the receivers are released.

The Travelers will soon have a capital of \$5,000,000; by a cash stock dividend of \$2,500,000. This company issues no participating policies in its life department.

Careful Burglars.—Removing the shutters of the jeweller's shop of Mr. A. D. Simmons, Sandgate-road, Folkestone, early on Saturday morning, burglars plastered paper on the windows with treacle, broke them with a brick in a cloth, and stole between £2,000 and £3,000 worth of jewelry. Then they put up the shutters and glued black paper over the holes they had made in removing

them so that the casual observer would not detect any injury.—English paper.

Accident Decision

An accident policy providing for nonliability in case of death or disability resulting from medical or surgical treatment held not to contemplate such treatment when necessary to relieve the insured from the results of an accidental injury.

A condition in a policy exempting from liability for death caused wholly or partially from disease or bodily or mental infirmity operates only where the disease or infirmity contributes, either directly or indirectly, to the death.—*Vernon v. Iowa State Traveling Men's Ass'n*, 138 N. W. 695.

As the Life Men Do in England

The Policyholder of Manchester, Eng., says:

A prominent member of the Corporation of Insurance Brokers sends us the details of a recent transaction in life assurance which, it must be confessed, scarcely adds to the commercial dignity of the insurance business, but rather recalls the methods of a Dutch auction. A certain gentleman was canvassed not long ago by the representative of a well-known life office, which, for the purpose of the narrative, we will call Office A, and a proposal was secured for a substantial amount. But the representative of another life office of prominence, to which we shall give the title of Office B, also canvassed the same gentleman, and as an inducement to the client to transfer the business to Office B the representative offered him the agent's commission, and the client, being only human, agreed to the proposition. But Office A refused to lose the business without making a counter stroke, and accordingly the representative offered to accept half the annual premium for five years; from the balance of the first year's premium to make a further abatement of 10 percent, and, furthermore, slightly to reduce the annual premium after the five years for the remainder of the term.

Though always at school, the world's a school.

FIRE INSURANCE

American Fire Losses in 1912

The Review of New York has gathered a total of \$225,320,000 losses in excess of \$10,000 in the past year, in the United States and Canada. This total is \$10,000,000 less than in 1911 and 1910. The complaints of excessive insurance losses indicate, however, that the actual property losses again average \$3 per capita. The greatest losses occurred in January, February, May and December. There were 168 fires with a loss of more than \$200,000. Altogether, there were more than 3,000 fires with more than \$10,000 value destroyed. The average of \$500,000 or more loss at a single fire was one every "week-day."

The principal losses in the past year, as compiled by our contemporary, were as follows:

Houston, Tex., cotton compresses, etc.	\$4,500,000
New York, Equitable Life bldg.	3,000,000
Vancouver, B. C., wholesale places . . .	1,750,000
Chicoutini, Quebec	1,200,000
Ocean Park, Cal., pleasure wharf and bldgs	1,125,000
New York, terminal warehouse	1,100,000
Philadelphia, millinery factory, etc. . .	1,100,000
Halifax, N. S., sugar refinery	1,000,000
Benicia, Cal., government arsenal	1,000,000
Philadelphia, wharves and r. r. prop. . .	1,000,000
Keasby, N. J., brickworks and asphalt plant	940,000
Schenley, whisky warehouse	800,000
Houston, Tex., cottonseed oil plant . . .	625,000
Houston, Tex., business houses	625,000
Chicago, grain elevator	600,000
Flint, Mich., deaf and dumb school . . .	600,000
North Adams, Mass., theater, hotel and stores	600,000
Providence, R. I., rubber warehouse . . .	575,000
Moose Jaw, Sask., electric power plant . .	500,000
Newark, N. J., furniture store, etc.	500,000
Toronto, Ont., car barns, etc.	500,000
Telluride, Cal., stamp mill	500,000
Ray, Ari., business houses	500,000
Saskatoon, Sask., department store . . .	500,000
New Liberia, La., sugar plant	500,000

Ronan, Mont., business section	500,000
Cleveland, O., wholesale grocery	500,000
Bayonne, N. J., steamers and oil works . .	500,000

Experts Vary

On the loss on a dwelling and contents in a western city insured for \$100,000, on which the insured claimed that the loss is \$150,000, an architect placed the loss on the building at \$19,000; two other appraisers made the loss \$51,000 and \$59,000 respectively.

Under the valued policy laws in force in a few states the agent is supposed to get at exact value of a building on looking at it, assisted by the testimony of the disinterested applicant, and the honest premium payer, who assists his enterprising neighbor to dispose of a useless building at double or treble value, continues to harp on the too-high cost of fire insurance. — Fireman's Fund Record.

Though Weather Is Warm, Frost Continues to Descend to Water Pipes

A third device for thawing out frozen water pipes with electricity was assembled by the water department officials yesterday afternoon. All three of the machines are being used night and day to relieve those citizens whose service connections have not yet recovered from the cold snap of last week.

According to the records of the water department, nearly 1,000 connections have been thawed out since the cold snap occurred, and almost that many still remain to be treated. By means of the electric apparatus the water crews have been able to relieve from seventy-five to 100 waterless homes a day. A peculiar feature of the trouble is that complaints of frozen pipes continue to pour into the office, despite the unusually high temperatures. The water officials explain this by the fact that the frost, once in the ground, continues to reach deeper and deeper, catching pipes that were not affected at first. — Salt Lake Tribune, Jan. 16.

The Palatine has \$4,000,000 assets.

SOME ETHICAL CONSIDERATIONS

A Paper by W. Irving, General Agent of the Phoenix Assurance Co. of London, Read at the Recent Annual Meeting of the Fire Underwriters' Association of the Pacific

Briefly defined, "Ethics" treats of the nature and grounds of moral obligation and of man's duty in respect to himself and the rights of others. Please emphasize the "moral obligation" and the "rights of others."

Simple enough definition easily understood; but when it comes to an application of the abstract principle to a concrete case, the result is apt to be a trifle clouded.

What constitutes a "moral obligation?" To what extent do personal rights injuriously affect the "rights of others." Often there is ample room for an honest difference of opinion as to what really is a "moral obligation." Sometimes personal interest will, almost unconsciously, cause the "rights of others" to appear tenuous and shadowy.

Then again there are other arrangements. A rare case here and there where the sense of moral obligation seems wholly wanting and there is a rather frank and utter disregard of the rights of others. I suspect every one of us has in mind some particular instance where a man is so very busy with his financial obligations (to himself) that his moral obligations are forgotten; or who is so constantly "on the job" in looking after his own rights that he has no time to consider the rights of others.

Organization, I suppose, is the hall-mark of our modern advanced civilization. We organize everything now-a-days—politics, manufacturing, business, trades, avocations of various sorts—all organized. If we want to boost our city and its trade we organize a Chamber of Commerce; if we want special advantages for our immediate neighborhood or to fight a wicked trust, we organize a Mission Promotion Association. Wherever there are common interests, common aims or common wants—there you will find *organization*. Naturally and inevitably, the insurance companies and the men who serve them are bound by mutual interest into organizations of one kind or another.

Originally, all organization had for its prime object the idea of protection—a banding together of the individually weak for preservation against oppressive strength. With the development of the power of organization the original object modifies itself. The protective idea persists, but organization no longer remains strictly on the defensive—it takes the initiative very often; actively combating or furthering measures for what is termed "the common good"—which being interpreted, means what the membership wants the most.

Our insurance organizations are modern in every sense. We come together for mutual aid, comfort and instruction (that's an ethical consideration); we are reasonably active in furthering the "common good" and we certainly are banded together for mutual protection. "Adverse legislation," particularly of the breed begotten by ignorance out of prejudice is a common danger that of itself would call for an organization for preservation. A great calamity has the same effect. Many other instances will suggest themselves.

And then, of course, there is always in our minds the idea of protection from each other—something highly necessary. We would surely have a gaudy time among ourselves without organization of any kind, or for any length of time. There would be many dead.

Always our organizations of whatever nature have for their guidance some set rules of conduct or procedure—by-laws or agreements—but the foundations of all organization are Ethical Considerations. There is no rule that can be framed that will enforce a purely "moral obligation;" no by-law that can be depended upon to secure that nice observance of the "rights of others" which is essential.

The finest commentary upon the character of the membership of our organizations is the fact that they remain. Mutual advantage, mutual protection; yes, mutual fear—all make most powerfully for permanence; but without the binding force of Ethical Considerations there would be disintegration: and the lack of these considerations suggests the only doubt of any lack of permanence.

This is all the more surprising when we consider how very human we all are. For human nature has not changed so much with the centuries. Under the thin veneer of modern civilization there still exist the

instincts of the primordial man — just a plain, predatory animal.

To a large extent we live upon what we take from others of our kind. We stand over our accumulations, jealous, alert, watchful, anxiously guarding against loss, intensely alive to all possibilities of gain. We eagerly hunt "new business," very little of which is from newly created wealth for the first time insured. If our books show that for every dollar of "old business" lost to others, we have not gained a dollar and a half of "new business" taken from others, we are correspondingly unhappy. And I may say by way of parenthesis that, in these days of lowering rates and increase in term insurance about this ratio of gain to loss must be obtained in order to keep up the volume of annual receipts.

One trait we have in common—an insatiable appetite. No matter how much we have we always want a little more. Some are even more noted for their appetite than for their power of digestion, cheerfully and greedily gulping down a liability they can by no means assimilate. Sooner or later they suffer from an acute attack of indigestion.

Another most human trait is our endeavor to secure the most advantageous position. We want the inside track (if we can get it); we jockey for position, maneuver for the weather gauge—and we dearly would like to occupy a preferential place.

Now this last is foolishness. Equality of opportunity and equality of restraint is a basic principle of all law and of all organization. We may by ability, luck or good management attain and maintain an advantageous position here and there; but a preferential position is always open to challenge.

In spite of predatory instincts, insatiable appetite and the striving for a vantage point, we play the game, in the main, "according to rules." It is some points of the game which are entirely outside all present rules upon which I would like to touch lightly, always premising that any opinion expressed is purely personal and individual, and also disclaiming any idea of personal application or mere criticism of men or measures. It is simply because the matters are "outside the rules" that they are grouped under the designation of Ethical Considerations.

And this brings me to the subject of

"ANNEXES"

Annex.—Concisely put—two mouths to feed the one stomach.

The matter of the Annex has lately caused a deal of red hot controversy with which you are all familiar. I say "lately."

Some few companies have been operating annexes among us for years without calling for particular comment. There were only a few. A majority of us then believed that for two mouths there should be a corresponding number of ways of disposing of what could not be assimilated and that sooner or later there would be congestion. There was. And then most of us were getting on pretty well, growing nicely from year to year, and satisfied with our growth. In the meantime the annexes were developing the food supply for the extra mouth had suffered from their congestive chill and recovered or been decently interred and the added sources of supply were growing more valuable every day.

Then conditions changed. There were many new mouths demanding to be fed and the power of digestion had increased. New companies by the score, new capital in the business, increased surplus—the competitive struggle grew keener.

At once there dawned the realizing sense that the fellow with two mouths and two sources of food supply was occupying a preferential position. The challenge was immediate.

Very many challenged by direct imitation. From the very nature of things there can be no patent on a preferential position. The "Colossus Underwriters" (there are several of them) found a faint reflection in the "Fly-by-Night Underwriters," with underwriters of sorts intermediate, until the landscape is fairly littered with them—all hungry.

There are still some left with a continuing belief that nature intended one mouth, and one only, to go with the one stomach and who now challenge the preferential position with the demand for as many sources of supply for their one mouth (be they few or many) as others have for two, keeping in mind always the undeniable fact that, after all, there is only the one stomach.

The controversy now is not over the number of mouths but over the number of sources of food supply—a question, not of "annexes" but of "agents."

It would seem idle to assume that the *only* way in which a company can obtain additional representation is by issuing separate policy contracts backed by the same capital and surplus, and with some more or less

fanciful "underwriters" title. This is indirect—a beating around the bush.

And that principle of equality of opportunity to all would seem to forbid the enjoyment by some of the opportunities which are not accorded to all—that is, if our organizations are to endure.

The only basis of compromise now in sight—unless one side or the other recedes from its position—would seem to be a removal of all restrictions and the unlimited development of its sources of supply by each individual company. Followed to its logical conclusion this means, in short, "Every man his own insurance agent—and save the commission."

But what then becomes of the American Agency System—is it worth preservation? Now this is an Ethical Consideration.

MULTIPLE AGENCIES

One agent for any one company—in any one city or town *and its vicinity*. That was the original idea. Then the agent was more than a mere producer, exploited as a source of supply. He was the "representative" of his companies. An "insurance man," not a "side-liner," with income sufficient to allow him to devote his entire time and energy to insurance matters with a consequent increase in knowledge and efficiency and a high sense of responsibility and loyalty to his principals.

The wording of his commission "*and vicinity*" meant something. The business of the little village and hamlet (too small to entirely support an insurance man of its own) and of all the surrounding country in his vicinity, came to his office to be intelligently handled and to form an important part of his commission income.

The ideal is changing. In the unsated appetite for premiums, the sources of supply are being over-exploited. One representative agent is no longer enough and so some of us are practicing methods of indefinite multiplication. Almost every one of us has two agencies in the principal cities—those with annexes have four or more. Many maintain more than one agent in the smaller towns, wherever they can find an opportunity; every village and hamlet has its quota of "side line" insurance agents and some of us make a practice of appointing merchants, manufacturers, warehousemen, winery men and the like, for the sole purpose of securing their individual business. This last is particularly unfortunate, as the agency com-

mission is a direct rebate to the assured and open to all the objections that can be urged against rebating.

Every undue increase in the number of sources of supply decreases the value, efficiency and producing power of each individual source. The creation of additional agents, by annexes or otherwise, over and above the one principal representative agent in any one place and its vicinity inevitably reduces the volume of business procurable by that principal agent; lessens also his income, his interest in the companies he represents and his feeling of loyalty to them.

Then too the company maintaining several agencies in the one place is in the anomalous position of competing with itself for its business. Should our organizations break, this position would become immediately untenable. "Multiple Agencies" also spells "Disintegrating Force." Our agency plants are among our most valuable possessions. Shall we practice true conservation and protect them for all time or shall we over-exploit them in the attempt at some immediate advantage regardless of what follows? And this is another Ethical Consideration.

ADVENTITIOUS AIDS

Under this heading I am grouping some of the many various—and devious—ways of stimulating business.

Now a certain amount of stimulation is necessary in order to avoid stagnation. Along recognized lines and within reasonable limits all aids to the proper increase and care for business are legitimate.

But over-stimulation is another story and the employment of methods which are super-added and do not properly belong to the business itself can best be termed "adventitious" and presented for Ethical Consideration.

Gifts—not all of them seemly or proper—are among these adventitious aids. We are growing away from the Christmas and New Year's reminders of calendar, pen wiper, pocket knife, paper cutter and all that kind of truck—these are no longer sufficiently impressive—each succeeding year brings with it a requirement for something handsomer—and more expensive.

Many who started these little gift enterprises in a small way years ago are now in the position of the man who had the bull by the tail—extremely unwilling to hang on but afraid to let go. Having started, they

must keep up with the procession or a little ahead of it if they can. In the meantime it must be growing a bit burdensome.

The holiday gift is the least of it. There is no closed season on gifts—they may occur at any time of the year and any occasion will serve—weddings, births and anniversaries being favorites. These are not general gifts to all agents, but special gifts to special persons for the one special purpose. Generally they are something handsome. I have heard of solid silver plate, I have even heard whispered rumors of an automobile.

Little vacation trips for an agent is another form. Sometimes a company considers it so important to see a particular agent (on a matter of business of course) that he is invited to visit the head office for a conference and to bring his family; returning by way of southern California or Lake Tahoe, according to the season—the company naturally paying the bill.

Then there are minor ways of doing it—hiring an agent's automobile to inspect or solicit (particularly grain business) and paying rather over-liberally for its use—that is only one. I have recently heard a new yarn—about a special agent who sits for business in his local's office. When a new risk of any importance comes in he offers to bet ten dollars that his company does not get the entire line. Sometimes the local wins—we are all human.

Then, of course, there is the exploitation of the agent from the social side—over-entertaining you might term it. The personal note and the personal relation naturally exists—should exist—but we are emulating each other in overdoing it. With some few the social exploitation has reached the dignity of an industry and we are all "glad hand artists" to a more or less extent. I believe to a very unnecessary extent.

"Adventitious Aids."—Simply another name for the same old attempt to occupy a preferential position—and subject to the same challenge, by imitation or otherwise; because, sooner or later, their employment becomes surely known.

Are they really aids at all? Is not the supposed advantage to be gained only temporary and subject to attack and perhaps reprisals? Are they worth what they cost? Would not we all be better off without them?

These questions are submitted for Ethical Consideration.

Connecticut Fire Makes Gains

Manager B. J. Smith has received from the Connecticut these figures of the 63d annual statement:

Assets, \$7,735,110, a gain of \$218,019.

Companies Examined

Western, Pittsburg, Pa.—Condition, Oct. 31, 1912: assets, \$928,781; capital, \$300,000; net surplus, \$26,000; income, ten months, \$527,622; outgo, \$547,295, including \$24,000 dividends to stockholders.

Commercial Fire, Washington, D. C.—Condition, Oct. 31, 1912: assets, \$743,706; liabilities, \$514,268; net surplus, \$229,438; capital, \$337,307. Operated in connection with the new First National Fire. Congress is preparing to investigate both companies and Wightman & Dudley, Inc., and the District of Columbia insurance department. Assets include an alleged realty purchase profit almost equal to claimed surplus. Loss ratio for ten months, over 77 percent.

The Consolidated F. & M. of Minneapolis: \$371,931 assets and \$22,505 net surplus, Sept. 30.

Northwestern F. & M. of Minneapolis on Sept. 30: \$934,004 assets and \$303,865 net surplus.

Letton May Get the Netherlands

The Netherlands Fire will probably soon resume writing direct in this country, with Harold W. Letton of Chicago as United States manager. Mr. Letton is U. S. manager of the Prussian National.

Providence Washington.—Assets \$4,776,000; reinsurance reserve \$2,303,000; net surplus \$1,049,000; capital \$1,000,000; as per advices to Manager Curtis. Gain in all three items.

Some of the ill things we predicted for the Pacific Coast Interinsurers of Palo Alto and San Francisco came true fast enough. The policyholders are still hoping for promised dividends. "Hope springs eternal in the human breast."

The State Assurance Co. has \$1,259,000 assets.

Fire Companies Retired in 1912

Aeme Fire of Cedar Rapids, Ia.
 Capital & Merchants & Bankers, Des Moines, Ia.
 Delaware, Philadelphia.
 Dutchess (new), Poughkeepsie, N. Y.
 Empire City, New York.
 German, Indianapolis.
 Ins. Co. State of Illinois, Rockford.
 Jefferson Fire, Philadelphia.
 Louisville Fire, Kentucky.
 Mercantile F. & M., Boston.
 Milwaukee German, Wisconsin.
 Oklahoma Fire, Oklahoma.
 Scranton Fire, Pennsylvania.
 Seaboard Fire, Norfolk, Va.
 Sun, New Orleans.
 United American, Milwaukee.
 Western Empire, Spokane.
 Western Reserve, Cleveland, O.
 Woodmen, Omaha, Neb.
 Total 19, with 12 million assets.

Mutual Fire Companies Retired in 1912

Athens Mutual, Georgia.
 Citizens, Memphis, Tenn.
 Equitable Mutual, Richmond, Me.
 Eureka Mutual, Indiana, Pa.
 Flood City Mutual, Johnstown, Pa.
 German, Memphis, Tenn.
 Home, Cincinnati, O.
 Hancock Mutual, Bar Harbor, Me.
 India Mutual, Boston, Mass.
 Lakaska Mutual, Doyleston, Pa.
 Merchants & Bankers, Beloit, Wis.
 Manufacturers, Indianapolis, Ind.
 Merchants & Planters, Memphis, Tenn.
 Mecca Mutual, Waco, Tex.
 Mohawk Valley, Iliou, N. Y.
 National Mutual, Pittsburg, Kan.
 Shawnee Mutual, Oklahoma City, Okla.
 Total 18.

The above lists are compiled from the Spectator.

The Sovereign Fire in a brief time in the United States lost its minimum deposit capital in high expenses and extraordinary fire losses.

The Rocky Mountain Fire of Great Falls, Mont., has begun writing, with Owen P. McElmeel as secretary.

Personal

A. D. Harrison (of Catton, Bell & Co.) has left San Francisco on an extended trip through the Mediterranean countries, India, and the far East. He will probably not return till July or August.

Board and Bureau Expenses Must Be Paid Anyway

Underwriters' boards, bureaus, etc., do best and most cheaply the work which must be done anyway. If underwriters in co-operation do not do this work, they must do it individually, each for himself, at a greater cost. Sometimes an underwriter forgets this fact and complains of the rather moderate board expenses.

Retired Since January 1

Sioux Fire of Sioux City, Ia. Reinsured. Mutuals Fail. — The Lahaska and the Flood City, two Pennsylvania mutuals, have been taken in charge by the state insurance department, to be wound up too tight to ever go again.

The Union Mutual Fire of Enid, Ok., has been sent to the junk-pile. Its \$10,000 guaranty fund is invisible. The loss claimants will receive nothing.

\$50,000,000 Insurance Trust Proposed by Morgan

At the examination of the Commercial and the First National in Washington, D. C., Alfred M. Best, the insurance expert, was asked about a proposed or alleged "insurance trust." He said that after the San Francisco conflagration J. Pierpont Morgan had tried to form one with a capital of \$50,000,000, and had consulted President Henry Evans of the Continental. Mr. Evans gave Mr. Morgan no encouragement.

Mr. Best doubted if such a trust could be formed. The business of fire insurance is too individualized. No insurance trust exists today in any form of compact or the so-called board companies, against the non-board companies, Mr. Best asserted.

Tacoma.—Firemen propose to apply to themselves the state eight-hour law.

SEVERAL and SUNDRY

The Business of Insurance; a Text Book

In three volumes, published by the Ronald Press Co., New York City, written by 80 eminent experts, compiled and edited by Howard P. Dunham. Each volume contains some 500-odd pages. The indices make the contents get-at-able.

In the preface Mr. Dunham says that such great advances have been made in the business of insurance that its problems now interest farmers as well as bankers, and even lawyers and doctors, the ne'er-do-wells of every jay-town, must have personal relations to it in some way. By some oversight the undertaker and the ambulance-chaser are not mentioned.

We look over the table of contents as carefully as we examine our purse in the last hour of pay-day, and we find rich signs of a pay-streak. There is a chapter on insurance education by Actuary Moir of the Home Life; and a historical sketch by Henry W. Eaton, manager of the Liverpool & London & Globe Ins. Co.; an article on home office management by Wm. J. Mackay of the Springfield F. & M. Ins. Co.; on agency management, by Wm. B. Medicott of the Atlas's Eastern department; on marine insurance, by Vice President Rush of the Insurance Co. of North America.

As to life insurance, the heads of well-known life insurance companies contribute out of the fullness of their knowledge. Geo. T. Dexter, second vice president of the Mutual Life Ins. Co., explains the mutual life plan; and Actuary Craig of the Metropolitan Life enlightens on stock life insurance.

President Dunham of the Travelers contributes a historical bit.

Other life presidents are contributors.

Potter of the Preferred has an essay on home office management. Manager Franklin of the Frankfort General elucidates workmen's collective insurance. Frank Law of the Fidelity & Casualty explains premium rates.

On the formation of a company Walter Nichols of the Insurance Monitor sheds

light. President Holcombe of the Phoenix Mutual writes instructively on investments.

Of course, we cannot spare room to mention all the subjects discussed by all the distinguished insurance men in these three books; and in passing we can only mention such "part"-titles as: forms and precedents, liability insurance, specialty, accident, life, fire and marine insurance, treated in a way which exhausts the subject, but not the reader.

We make a few very brief quotations:

"Conflagrations have to be met as well as disastrous fires of lesser magnitude, so that the fire underwriter is subjected at times to a severe strain and is normally at high tension."

"Many fail to realize the immense trust that the appointment of an agent involves. The issuing of a policy or binder commits the company to a possible loss, that often greatly exceeds the orders that the most persuasive salesman of merchandise ever dreams of."

"The average cost of inspections is from \$10 to \$15 each." "The bureau inspection system is favorable to the insured in giving him a well-considered opinion, edited by the executive of the bureau, and resulting from the experience of many men working in a large territory."

"The life of hose is prolonged by using it occasionally."

"The proportion of claims not paid promptly and for the full amount of the policy is very small."

"Industrial insurance was established in England in 1854."

"In 1875 the Hon. John F. Dryden introduced industrial insurance in the United States by establishing the Prudential Friendly Society."

Marine Losses.—Something like 250 ships were lost in '12, with a total loss of say \$38,000,000. About 1,700 ships went ashore and 1,900 collided.

Eastern life insurance companies have over \$11,000,000 lent on San Francisco realty.

The Home Insurance Co. of New York's 1912 Business in the Pacific West

	Risks	Premiums	Losses Paid	Losses Incurred
Alaska	\$ 122,410	\$ 3,322.29	\$ 760.52	\$ 60.52
Arizona	1,681,133	37,650.36	14,873.01	15,303.88
British Columbia	2,656,528	39,274.06	10,227.01	15,815.55
California	65,735,987	878,094.12	298,821.73	304,928.02
Idaho	3,889,008	48,643.38	11,176.65	16,507.71
Montana	3,297,878	58,019.86	34,565.43	22,960.97
Nevada	820,783	15,911.40	28,084.97	15,371.70
New Mexico	1,339,470	19,504.29	9,572.00	10,010.46
Oregon	8,883,179	103,763.12	31,946.56	33,366.86
Utah	5,207,340	53,936.77	44,192.71	43,888.82
Washington	11,191,856	150,020.68	67,133.79	65,082.18
Wyoming	880,547	15,201.14	5,756.39	6,657.39
Total (excluding Colorado)	\$105,706,119	\$1,423,341.47	\$557,110.77	\$549,954.06
Colorado	9,543,098	102,776.72	41,656.37	32,922.93
Total	\$115,249,217	\$1,526,118.19	\$598,767.14	\$582,876.99

Resignation of T. J. Conroy of Conroy & Olds

Thomas J. Conroy, of the Caledonian and Aachen & Munich Coast general agency of Conroy & Olds, has resigned, and is succeeded by A. C. Olds. Mr. Conroy has not been in good health for some time, and will probably visit Europe. He had been in the service of the Caledonian for many years, and retires with an allowance from that company. He began his insurance career with the Compact Association of the Northwest at Portland, about 1884.

Mr. Olds is well known here, where for several years he was in the employ of the Western department of the Phenix of Brooklyn, with headquarters in San Francisco. After the fire he returned to Chicago and was the special representative of the company in that field.

In 1909 he came to San Francisco again, and became associated with Mr. Conroy.

New Publications

In the Front Office: how and why twenty-five model modern agencies do things; volume 2. By the Rough Notes Co., Indianapolis, Ind.

A readable and suggestive little book of 168 pages, cloth bound.

List of Securities Held by Insurance Companies, with Valuations Fixed as of Decem-

ber 31, 1912: by the Insurance Department of New York, Albany. Values are not including accrued interest. This work is by the National Convention of Insurance Commissioners.

Proceedings of the 20th Annual Convention of the Pacific Coast Association of Fire Chiefs: held at Los Angeles, Sept. 9-13. Several papers: a pamphlet of 70 pages.

Coast Figures

About \$12,000,000 premiums have been reported to us, with incurred losses averaging 37 percent and a decline of 1.0 percent in premium income.

Promoted

Special Agent John E. Cosgrove has been promoted to the Assistant Managership of the General Agency of the Union Assurance Society, Ltd. This is a well merited recognition of the services of a capable man.

Personal

Manager Rolla V. Watt and Assist. Manager John T. Fogarty of the Royal and Queen have been drawn for San Francisco duty duty.

President Clark of the Aetna will visit this Coast soon.

Continental's Figures

The 60th annual statement of the Continental Insurance Company of New York presents these totals:

Assets	\$27,070,031
Liabilities	10,580,040
Surplus to policyholders	16,489,991
Capital	2,000,000
Net surplus	14,489,991

The liabilities include \$500,000 reserved for dividends payable on January 2, 1913, and \$250,000 reserved for contingencies.

Assets gained \$1,493,452; net surplus gained \$490,159; reinsurance reserve, now \$9,022,217, gained \$499,432, which indicates a large gain in new business.

The Continental writes fire, tornado, rent, automobile, use and occupancy, sprinkler leakage and tourist floater policies.

Liability Decision

Washington—Empire State Surety Co. of New York v. Moran Bros. Co., 127 P. 1104.

"Kind of Trade or Business" — "Kind of Work"

The phrases "kind of trade or business" and "kind of work," as used in a schedule of rates in an employer's indemnity policy, refer generally to the nature of the work carried on, so as to include all who are engaged in the prosecution of the work, even though the kind of work be designated as "boiler makers," "blacksmiths," etc.; and the compensation of all employes, whose injuries or death appellant is indemnified against, furnishes the measure for determining the amount of premiums earned, and includes employes of a power, heat, and light department of the plant, although they are in a building separated from the rest, and timekeepers and drivers, although they did not

work upon the premises all of the time.

From a very rare book, the second volume of the Coast Review, we are reprinting some things worthy of a fresh record and perhaps of interest to Coast insurance men. Please be on your guard, as to the "looking backward" pages, and confuse the "news" with no present day affairs. The large life premiums of nearly \$20,000, received by the Pacific Mutual, was on the life of the brother of Gov. Glenn, forty-one years ago. The premium included the transfer of property in the business district of Oakland, now worth perhaps a million dollars. The company reinsured a good part of the risk in the Equitable Life and soon sold the realty at a satisfactory price.

The penalty of being abreast of the published court decisions, in our Legal Digest, is sometimes an inability to publish any court report. Recently we were unable to include a life case, and later we were obliged to go to press without a fire case. In this issue, now that court vacations are passed, we do somewhat better, and besides, on page 28, we take up again an old standard mortgage clause ruling and print it almost in full.

The New York Casualty Insurance Exchange has completed its organization. It is to be perfectly harmless. The most radical politician can dig to its roots and find no hint of interlocking. It will make no rules nor rates and require no pledges. Brokers are to be treated as human beings, and it will be the chief object of the exchange to serve the brokers. The constitution has 22 articles.

37th Annual Meeting of the Fire Underwriters Association of the Pacific

Successful as usual, with a large attendance, and closing with a banquet, the annual assembly of members of the Fire Underwriters Association of the Pacific took its place in time on the 14th and 15th of January, and the Proceedings will attest the excellence of President Mayer's year's work in bringing out the talent. The program included papers on Ethical Considerations, shingle mills, Los Angeles conflagration possibilities, insurance and the community, collections, forest fires, suggestions for a local agency, uniform blanks and forms, cause of apparently high expense ratio, proper vice, water-works, contingent for locals, fire protection, etc.

President Mayer is certainly to be congratulated on this program which is a practical one and covers the field pretty thoroughly. The contributors, in the main, are managers and field men and know whereof they write.

The Knapsack was made additionally entertaining because its contents were read by Editor Heuer.

The banquet was of the usual character, with music, speeches and a stunt "by the man from the Antipodes."

T. H. Williams, general adjuster of the Geo. H. Tyson General Agency was elected president of the association for the ensuing year. R. C. Medcraft, manager of the Catton, Bell & Co. general agency, was elected vice president. Calvert Meade was re-elected secretary-treasurer, and J. P. Moore was re-elected assistant secretary and librarian. Mr. Moore was formerly an insurance man and is an experienced librarian who has put the library of the association on a modern and serviceable basis.

Life Underwriters' Association of San Francisco

The sixth annual meeting and banquet of this association will be held at the Southern club, San Francisco, Friday evening, January 31, at 6 p. m. sharp. The business of the association (the election of officers for the ensuing year, the annual report of officers and such other business as may properly come before the meeting) will be transacted. The entertainment committee has arranged for an elaborate menu.

63rd Annual Statement of the Union Mutual Life Ins. Co.

Assets, \$18,759,923; liabilities, \$16,566,767 for reinsurance reserve and \$17,171,343 altogether; surplus, \$1,588,580.

New insurance written in 1912, \$6,206,751, paid for basis. Insurance in force, paid for basis, \$63,491,853.

Receipts, \$3,117,998; paid policyholders, \$1,816,115; total disbursements, \$2,345,931, of which \$50,659 was for "taxes on insurance."

The amount of insurance written was about a million more than in the previous year, and the number of new policies gained 499.

The assets gained \$788,597, notwithstanding the recent decline in the quotations of first class securities. The surplus remains about the same as a year ago.

At the annual meeting, Fred E. Richards was made president again and other officers were re-elected. Fifty-six policyholders were present at this meeting. They represented 378 votes.

The annual statement of the business and resources of the Union Mutual Life Insurance Company, which we have briefly summarized, shows prosperity, growth, and efficiency of management. The policyholders were paid, in death claims, endowments, surrender values and dividends, \$1,816,115. The expense ratio has not been high. Dividends or refunds to policyholders have been substantial. The assets are certainly invested safely and with good judgment, and produce a good average of income, whatever may be the inevitable market fluctuations.

At age 64 the Royal Arcanumite is paying \$16.00 a month on a \$3,000 certificate. His policy in a legal reserve company for the same amount costs only \$3.60 a month.

World's fair ground hydrants in San Francisco (high pressure) will be in man holes beneath the street.

Spokane.—The city council has let a five-year contract for electricity to pump the city's water supply.

Bakersfield Fire Department

This California city formerly had a bad reputation as regards fire losses, but latterly, with the fire department under Chief Henry Schaffnit, this reputation has greatly improved. Up to two years ago the average Bakersfield fire loss was more than \$100,000 a year. In 1911 this loss was cut to less than \$50,000, and in 1912 the fire loss was only \$23,345. Loss in East Bakersfield was \$20,470, including outside city limits.

Bakersfield will soon have three auto-driven combination hose and chemicals, three first-size auto-pumping engines. These, with the present apparatus, will make the department the best for a city of its size on the Coast.

The insurance loss in Bakersfield and vicinity was \$35,614. The fire chief praises the water companies for their excellent service.

In Its New Building

At Franklin and Arch streets, Boston, the Columbian National Life Ins. Co. now occupies its new home building, or rather, three of the ten floors.

The building is fire proof, the material is Indiana limestone. The reinforced concrete deposit vaults are detached from the building.

The doors are of bronze and the entrance vestibule is of statuary marble, with gray sienna panels. The ceiling is barrel-vaulted. The offices are finished in white oak. The floors occupied by the Columbian National are paneled to the ceiling with white oak.

Fifty-one freight cars were necessary to transport the limestone for the building from the quarry in Indiana to Boston.

On every floor are fire proof vaults, with air-space doors and double combination locks. The president's room contains a private vault for his exclusive use.

One vault used by the comptroller of the company is formed of 60,000 pounds of steel.

The Columbian National Life was founded in 1902 by the late Wm. Butler Woodbridge, whose visit to San Francisco occurred shortly before his death in an automobile accident.

The president is Arthur E. Childs, a Boston financier. The vice president and comptroller is Francis C. Sears. The vice president and general manager is Wm. C. Johnson. The secretary and treasurer is Wm. H. Brown.

This company's policies waive premiums if insured is totally and permanently disabled.

Sanderson Appointed General Agent of the Aetna

As was confidently expected, the directors of the Aetna Insurance Co., at the annual meeting on January 1, appointed Arthur G. Sanderson, general agent of the Pacific branch to succeed the late E. C. Morrison.

Mr. Sanderson has been actively engaged in insurance work since 1885, in the office and in the field. For a time he was special inspector for the Lancashire and his field covered fourteen states.

In 1898 Mr. Sanderson accepted the position of state agent for the Aetna in Ohio and West Virginia. In 1906 he assisted in adjusting conflagration losses in San Francisco for the Aetna. In 1909 he resigned his position in New York city to accept the assistant general agency for the Aetna on this Coast.

Kelsey Appointed United States Manager of the Hamburg-Bremen

H. N. Kelsey, Western manager of the Sun at Chicago, has been appointed United States manager of the Hamburg-Bremen Ins. Co. The appointment was made by General Manager Buchenberger from the home office. Manager Kelsey succeeds Manager F. O. Affeld, who retires on March 15.

Mr. Kelsey is a brother of Joseph A. Kelsey, the United States manager of the Aachen & Munich. He has visited this Coast several times.

Chicago, Jan. 21.—John G. Shedd, president of Marshall Field & Co. of this city, was today elected a member of the board of trustees of the American Surety Company of New York.

CHIPS

—Chicago has an arson trust too. It won't let New York get ahead of it. Four members of the trust are under arrest.

—J. H. Ankele wrote San Francisco premiums in 1912 to the amount of \$26,810—\$5,676 for the International, \$12,034 for the Northwestern National, and \$9,100 for the New Haven Underwriters.

—San Francisco.—The 1906 fire insurance calendar of the federal courts has been finally cleared. At one time several hundred cases were pending, but the most of them were settled out of court.

—Manager Clarence M. Smith informs us that the Northwestern has beaten its own record in California this year. As a whole the company wrote \$160,000,000 last year, which exceeds the New York law limit.

—The Rio Grande Fire of San Antonio, Tex., has entered California, with J. H. Richards as general agent. The company has complied with the retaliatory law by putting up a guarantee deposit with the state of California.

—Seattle.—The American Assurance has reinsured the industrial health and accident and other business of the Empire Life of this city, and take over about 100 agents. It is understood that this Seattle company will wind up its affairs.

—The bright newspapers of the country—always alert as a Mark Twain detective in search of the missing white elephant—have discovered a “new” United States Lloyds of New York of which J. Pierpont Morgan is one of the directors. However, this particular Lloyds was organized in 1872.

—The average fire insurance rate is dropping every year.

—The National Life of Vermont wrote \$20,385,000 new in 1912.

—A Colorado legislator proposes that no uninsured man shall be licensed to marry.

—The Pacific Mutual Life wrote nearly \$21,000,000 new business last year, all paid for.

—The Occidental Life of Los Angeles wrote about \$2,400,000 new business last year.

—Minneapolis.—The Northwestern F. & M. has absorbed the Consolidated of this city.

—Ken Watson tells us that oranges in warehouses in southern California were frozen stiff in the last freeze.

—The white stone walls of the new Liverpool & London & Globe building in San Francisco are rising fast.

—In California it is proposed to increase the insurance premium tax from $1\frac{1}{2}$ to $1\frac{3}{4}$ percent of the premiums.

—Up in Nevada a local agent told the Associated Underwriters “special” tout to call and see a merchant in a neighboring town and try to close a promised deal. “I have talked with him, and he has about agreed to give us a good line of insurance. If you see him he may give you the line now.” So spoke the Nevada local agent of the Associated Underwriters’ company to the field solicitor of the latter. The field man called as requested, and you bet he got the line. Easy! He cut the rate again and offered the merchant the local agent’s commission besides, a matter of 30 percent off. The local agent, to whom the special was thus disloyal, got what? Oh, he merely got left.

The Hamburg-Bremen will return to California.

—Manager John Landers of the Manhattan Life has been re-elected a director of the company.

—The Washington supreme court has ruled that gross misrepresentations and a dishonest claim are good defenses.

—Manager Harry Homes Smith of the Law Union & Rock was the first to send the Coast Review the year's figures.

—As the people are supposed to be clamoring for a "blue sky" law, everywhere, we regard Mr. Starkey's address as timely and serviceable, and print it on page 15.

—Among recent death claims paid by the Mutual Life of New York are these:

Lehi, Ari., J. Franklin Sanders	\$ 8,000
Los Angeles, Oliver H. Picher	12,245
Los Angeles, Geo. W. West	5,018
Suisun, Cal., James A. Keys	6,000
Hartford, Conn., Patrick Garvan	44,982
Honolulu, Chas. Simpson	3,075
Salt Lake City, R. E. Hupt	5,000

—Field Men's Notes.—C. F. Milliman has succeeded John A. Hougaard as general inspector for the North British & Mercantile. His headquarters will be at 234 Pine street, San Francisco.

Bertheau, Selbach & Bertheau's field staff is now I. D. Schabel, San Francisco; K. C. V. Medcraft, San Francisco; R. L. McCulloch, Los Angeles.

At Denver the Continental is represented by Lloyd S. Day, state agent, Arthur E. White and W. O. Campbell. Lowrey C. Holloway is now with the Northern Assurance, with headquarters in San Francisco.

I. N. Fisher Jr., latterly special agent of the Norwich Union in eastern Washington and Montana, has been appointed special agent of the Union Assurance Society, in succession to Mr. Jesse de Bruhl, resigned.

—The Manhattan Life wrote about \$6,500,000 new business last year.

—Broker's Commission.—Actual Sale Necessary.—A broker who undertook to negotiate a sale of stock and procured an option, accepted by the seller, on which the buyer paid only part of the purchase price, was not entitled to a commission on the part paid.—128 P. 49.

—Premium Paid While Property Was Burning.—Insurance company held to have waived a condition that it should not be liable for loss occurring while a premium note was past due and unpaid, where it made an unconditional demand for a check in payment, by a letter which the insured received and complied with while the property was burning.—Limerick v. Home Ins. Co., 150 S. W. 978.

—The Pacific Mutual News has been fortunate enough to find an old "ad" of the company published 44 years ago. Leland Stanford was then president, and Joseph Crackbon was secretary. All of the first officers and board of directors of the company—all of the 19—have passed the bourne, except D. W. Earl. Schreiber & Howell were the general agents. During the first year, from May 8, 1868, to May 9, 1869, \$3,000,000 insurance was written; 911 policies were issued; the expense ratio was only 29.3. J. A. Brumsey was general agent at Virginia City, Nev.; Stovall & Robb were general agents at Portland, Or.; G. B. Raybould, Salt Lake, Utah.

WANTED—Experienced lady to take charge of office details of large **North-western Local Agency**. Give particulars as to experience, age, references, salary previously earned and salary expected. Address Box 10, Care of Coast Review.

American Surety Notes

The underwriting committee of the American Surety Company of New York is in session during the greater part of each business day. That committee consists of Messrs. Cortlandt S. Van Rensselaer, Jarvis W. Mason and Henry B. Zevely, all experienced surety men. Mr. Van Rensselaer is a member of the bar and has been in the service of the American Surety for about twenty-two years. He gives special attention to court and contract business. Mr. Mason is also a lawyer and manager of the credit department. He has been in the service of the company about twenty-odd years and gives special attention to official bond business and credit limits. Mr. Zevely, the secretary, who has been with the company about seventeen years, specializes on fidelity business. Mr. H. D. Lyman, chairman of the board of trustees, who has been in the service of the company nearly a quarter of a century, meets with the committee and gives it the benefit of his counsel based on his long experience. The committee has the benefit of

the advice of Mr. Deming, the manager of the home office branch, who has been in the service of the company many years, and who is particularly skillful in handling large contract bonds and large lines of fidelity business. President F. W. Lafrentz is himself consulted by the committee whenever the occasion requires.

Mr. Lafrentz attributes the successful underwriting of his company to the combined judgment of the members of this committee and to the judgment of the American Surety's staff of trained branch office managers. These managers, by the way, have recently been given broader limits than they have heretofore had for the issuance of bonds. Provision has also been made to the effect that where desirable risks exceed those limits the branch managers may, nevertheless, execute the bonds if they can procure reinsurance for the excess, this authority being limited, however, to bonds not exceeding certain specified amounts.

He who harbors fear does not truly live.

WHAT OTHERS HAVE DONE YOU CAN DO.

Scores of Agents in California have achieved success in selling insurance for the Pacific Mutual, in both its Life and Accident Departments — *and they are keeping it up.* If you will get in touch with one of the following agencies you will find there are several reasons for this success *which will appeal to you.*

Life Department

J. N. RUSSELL, Jr.,
 Manager,
 Pacific Mutual Building,
 Los Angeles, Cal.

or

KILGARIF & BEAVER
 Managers,

Shreve Building, San Francisco, Cal.



Organized 1868

Accident Department

The McCUISTION CO.
 General Agents,
 Story Building,
 Los Angeles, Cal.

or

F. A. STEARNS
 Manager,

Shreve Building, San Francisco, Cal.

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1912) . . . \$9,558,099.00

NET SURPLUS, " . . . 3,738,799.00

E. F. BEDDALL

President

N. S. BARTOW

Secretary

GEO. W. BURGHELL

Vice-President

Gross Assets, ^{JAN. 1} 1912 \$99,466,277

Exclusively Fire Assets 44,632,557

Net Surplus, - 16,652,238

Losses paid, 235,136,672

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager

LIVERPOOL, ENGLAND

DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta,
San Francisco, Montreal. 63 Agencies in all principal Cities and Towns



ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING. SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston,
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

MARINE

The Review of Sydney says the insuring of the Adelaide fleet in London for the ensuing year is a source of much annoyance to local underwriters, particularly to those companies that had previously insured this fleet, and paid for several losses, including the s. s. "Yongala," as well as other heavy claims. The London underwriters insured the fleet for about 25 percent less or \$45,000 less premium total.

S. S. Rosecrans lost on Peacock spit, off Astoria, Or., early Jan. 7. 32 men lost. One sailor washed ashore 5 miles away, alive. Rosecrans had cargo 20,000 bbl. crude oil. She was launched in Scotland in 1883 and has been an unlucky craft. Property of Associated Oil Co.

Motor Firemen Killed.—In England recently, on the same day, two motor fire

engines ran amuck. One climbed a telegraph pole and the other ran up against a house wall. The firemen were thrown far, and two were killed outright. One engine would have dashed into a crowd if the driver had not directed it into a wall, at the cost of his own life. The other engine carried away the telephone pole and then skidded into a tree and spilled the entire crew. The turncock was jammed to death.

Public adjusters should be licensed, says Ins. Supt. Emmet of New York. Fire Com. Johnson charges that public adjusters are in league in criminal conspiracies for the purpose of making fictitious appraisals.

One of the most interesting departments of the Prudential home office is the company's mail department. Its Newark postage bill is over \$95,000 a year. Every year over 500 tons of literature, supplies, etc., go from the Newark office, by freight or express, to the company's branch offices in the United States and Canada.

FIRE & TORNADO INSURANCE

American of Newark

Chartered in 1846

Capital Stock	- - -	\$1,000,000.00
Liabilities	- - -	5,081,886.03
Special Reserve Fund		300,000.00
Net Surplus	- - -	<u>2,962,548.52</u>
Total Assets	- - -	\$9,344,434.55

P. L. Hoadley, Pres't.

C. W. Bailey, Sec'y.

GORDON & HOADLEY, Managers
 Pacific Department
 San Francisco, California

FIRE**NIAGARA FIRE** Insurance Company

Assets, - \$6,736,192.25 Surplus to Policyholders, - \$3,475,199.18

DETROIT FIRE & MARINE Insurance Company

Assets, - \$2,139,401.04 Surplus to Policyholders, - \$1,552,035.83

NIAGARA - DETROIT UNDERWRITERS

Assets, - \$10,343,079.00 Surplus to Policyholders, - \$5,789,723.62

EDWIN PARRISH, Manager

Pacific Coast Department 334 Pine St., - San Francisco

GOOD PLACES FOR MEN WHO WORK

— who produce applications and deliver policies — who are tireless premium collectors — whose capacity for service is genuinely large. A sixty-year old Company with new policies and reasonable rates. Plenty of productive territory.

UNION MUTUAL LIFE Insurance Company.

PORTLAND, MAINE.

FRED E. RICHARDS, President

Address ALBERT E. AWDE, Supt.,
336 Congress St., Portland, Maine.

GEORGE E. HUNT, Manager

Shreve Bldg., San Francisco

T. H. McAllis, Manager, Sherlock Bldg.
Portland, Ore.

P. B. Duren, Manager, Boston Block, Seattle,
Wash.

The Western States Agency Co., Manager,
225 Foster Building, Denver, Col.

J. E. Evans, Manager, Vancouver, B. C.

The "insurance commissioner from Tasmania" told how business is conducted in that island. It appears, from his unimpeachable testimony, that if a loss on any risk is total, the company interested pays in

full, and if there are several companies interested, each pays in full.

National Union

Fire-Insurance Company

of Pittsburg, Pa.

Cash Capital, - - - - -	\$1,000,000.00
Surplus to Policyholders, - - - - -	1,532,095.00
Assets, - - - - -	3,805,215.00

METROPOLITAN DEPARTMENT

SAN FRANCISCO

604 Merchants Exchange Building

DIXWELL DAVENPORT,

MANAGER

E. C. DIETZ,

ASS'T MANAGER

FIELD REPRESENTATIVES:

R. R. Roper, NORTHERN CALIFORNIA

604 Merchants Exchange Bldg, San Francisco

Alexander MacDougald, SOUTHERN CALIFORNIA

P. O. Box 868, Los Angeles, Cal.

In expediting the issuance of large bonds, and in handling important service matters the telegraph bureau at the home office of the American Surety sent and received last year over twenty thousand messages. This expeditious and reliable service has proven attractive to other surety companies in connection with their surplus lines. The American makes a specialty of taking care of the requirements of surety companies generally in this respect.

SOME OF THE ADVANTAGES ENJOYED BY EQUITABLE REPRESENTATIVES

The backing of one of the largest and strongest financial institutions in the world.

A Participating Company.

A Prompt Paying Company. Of the 5,089 domestic death claims paid by the Equitable during 1911, 5,035 or nearly 99 per cent were paid within one day after receipt of "Proofs of Death."

A Company whose policies are standard contracts, drawn to conform to the Insurance laws of New York and other States.

A Company issuing every desirable form of insurance including Corporation Insurance, Income Insurance, Employe Insurance, Home Purchase Insurance, Joint Life Insurance and a large variety of Annuities.

A Company large and Strong enough to insure applicants for large amounts **under a single policy.**

A Company whose policyholders include the world's Captains of Industry whose identification with the Equitable is in itself an endorsement.

A Company granting insurance to sub-standard physical risks—bringing protection within the reach of applicants who might otherwise be deprived of it and saving business for the agent.

A Company which insures women at the same premium rate as men.

A Company whose canvassing documents are comprehensive, adequate and attractive.

A Company engaged in a broad "conservation of life," movement—aiming to lengthen the lives of its policyholders as well as insuring them.

A company that has withstood every conceivable test—wars, financial panics, epidemics, and lastly, a great fire. *The Society has openings in practically every State for energetic agents of character and ability.*

Address **H. L. ROSENFELD, Assistant to the President**

165 Broadway The Equitable Life Assurance Society of the United States New York

REPUBLIC UNDERWRITERS

POLICIES UNDERWRITTEN BY THE

AUSTIN FIRE INS. CO. and the COMMONWEALTH FIRE INS. CO.
of DALLAS, TEXAS

TOTAL ASSETS OVER \$1,135,000.00

SURPLUS TO POLICYHOLDERS OVER 721,000.00

LOCAL AGENTS WANTED

243 SANSOME STREET
SAN FRANCISCO, CAL.

ANDERSON & EDWARDS, Managers

VARIOUS

Life.—The Great Republic Life Ins. Co., of Los Angeles, expects to begin business before February 1, with capital and surplus paid in.

There can be no waiver of forfeiture of an insurance policy by an agent, who the policy distinctly provides has no authority to waive its provisions. 137 N. Y. S. 811.

Fire: The business section of Fort Saskatchewan, Alberta, thirty miles from here, was wiped out by fire Jan 21. The loss reaches a quarter of a million dollars.

California leads in oil and gold production—90 million barrels of the one and 20 million dollars of the other.

Utah is looking up. In 1912 it produced \$44,000,000 in gold, silver, copper and zinc.

COAST REVIEW INFORMATION BUREAU

WE shall, with pleasure, supply our readers with information as to companies, etc., such as age, capital, surplus, litigation, resources, record and reputation. Address, for a prompt answer, 'Coast Review Information Bureau,' 1138 Merchants Exchange.

THE
New York Underwriters Agency

Cash Assets:
January 1, 1912
\$25,449,839.41

Surplus to Policyholders
\$9,819,707.48



Net Surplus:
January 1, 1912
\$7,819,707.48

Losses Paid. Over
\$150,000,000.00

H. R. MANN, Manager

Pacific Coast Department:

339-341 Sansome Street - - - - - San Francisco

F. M. BRANCH, Superintendent of Agencies

SPECIAL AGENTS AND ADJUSTERS:

V. H. QUITZOW, - - -	SAN FRANCISCO, CAL.
A. E. BAILEY, - - -	PORTLAND, OREGON.
H. HARRY SMITH, - - -	LOS ANGELES, CAL.
A. C. ANDERSON, - - -	SAN FRANCISCO, CAL.
H. B. HAGEN - - -	SPOKANE, WASH.

Books

For Sale by The Coast Review,
Merchants Exchange Bldg.,
San Francisco, Cal.

Pacific Fire Manual, 1912, for Locals	- - - \$1.50
Spencer's Suggestions to Locals and Brokers	- - .25
Special Agents' Monthly Account Book	- - .10
Coast Review's Pacific Fire Chart, 1912	- - .25

Other Books Will Be Sent For, East

Job Printing Press For Sale

A Colt's Armory press, not old, in excellent condition, for sale by the Phoenix Printing Co., 122 Halleck st., San Francisco, at a very reasonable price. For particulars call or write.

The West Coast Life of San Francisco has the highest insurance stock quotation in the West. The amount bid is 285.

Don't have any business dealings with—extend no credit to—a pauper. A pauper is a man who has no life insurance nor money enough to pay his funeral expenses.

FIRE

Fires: San Diego, Cal.—The Standard ironworks destroyed by fire started by falling spark from foundry chimney.

San Francisco — Jan. 9, San Pedro hotel (lodging house), n. e. cor. Howard and Embarcadero (East). Had recently changed hands. Frame, 2 stories.

Fires: Parry block, Ogden. Holter hardware store at Helena, Mont.

Fires: Mansion apartments, Berkeley, Cal. Two hotels, Suisun, Cal. Several dwg. fires in San Francisco. Eggers winery, Fresno, Cal., property of Cal. Wine Assn. Wind crost wires.

Fires: Edmonton, bazar block, \$60,-000. Calgary, cold storage, \$1,000,000. Temperature 30 below zero.

Fires: Medford, Ore. Howard cannery, Eufala, Ok., 2-story-brick, drugs. Canby, Or., dwg., no ins. Georgetown, Mont., grocery of McConnell Merc. Co. Ewan, Wash., Ewan Mer. store and hotel. Pueblo, Colo., Goff theater. Point Grey, B. C., club bldgs, \$30,000. Long Beach, Cal., skating rink, \$20,-000.

Fire: St. Anthony, Ida., \$150,000 loss, starting in Hamer store.

**ARE YOU PLEASED?
IF NOT, SEE**

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
OCCIDENTAL LIFE INSURANCE CO.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG. LOS ANGELES, CAL.

<p>President, HON. GEO. A. COX. Vice President, W. R. BROCK.</p>	<p>General Manager W. B. MEIKLE.</p>
<p>BRITISH AMERICA ASSURANCE CO. OF TORONTO (INCORPORATED 1833)</p>	
United States Assets	\$1,659,481.26
Liabilities in United States	935,092.52
<i>Surplus</i>	\$722,478.73
<p>PACIFIC COAST DEPARTMENT 129 Leidesdorff Street, - San Francisco W. L. W. MILLER, Manager</p>	

THE HOME INSURANCE COMPANY NEW YORK

(Fire - Automobile - Windstorm - Tourists' Baggage.)

ELBRIDGE G. SNOW, President

Cash Assets, January, 1913,	-	-	\$33,406,434 60
Reserve as a Conflagration Surplus.	-	-	*1,800,000 00
Cash Capital,	-	-	*3,000,000 00
All Other Liabilities,	-	-	14,254,679 32
Net Surplus,	-	-	*14,351,755 28

Its Surplus as Regards Policyholders, *\$19,151,755 28

is the largest protecting American Policyholders
exclusively : : : : :

PROMPT
EQUITABLE
COURTEOUS

} ADJUSTMENTS

FOLLOWED BY

IMMEDIATE
CASH

} PAYMENTS

OVER HALF A MILLION SATISFIED CLAIMANTS
IN THE PAST 60 YEARS.

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

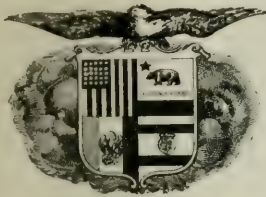
Premiums received since organization, 1846-1911 \$273,711,945.14

Returned to policyholders as above noted, in the same period 281,472,537.75

Excess of amount so returned 7,760,592.61

Insurance in force December 31, 1911 199,154,900.04

The only company with such a record is the best company to represent.
 President, **JOHN M. TAYLOR**, Hartford, Ct.



Los Angeles Fire Insurance Company

Los Angeles, Cal.

Cash Capital, (Fully Paid), - - \$200,000.00

Secure An Agency of This Home Company.

A Good Agency Company.

San Francisco Office, 334 California Street

CALIFORNIA NATIONAL LIFE Insurance Company

Safe .. Sound .. Conservative

HOME OFFICE

Timken Building

SAN DIEGO, CALIF.

THE THIRD CLASS LOCAL AGENT

WHAT would you think of a local agent who never talked about insurance? about its cost, income and profits, its commissions, taxes and expenses? He wouldn't know much about the business, would he?

Now an insurance journal is but authoritative talk about insurance, backed by libel liability.

Any local agent who doesn't read about insurance in an insurance journal is a Third Class Local Agent.

He is not up to date in news, in principles, in practices, in court decisions, in knowledge of the condition and prospects of the insurers.

He is like a cheap skate of a lawyer who never reads a court decision, or a bum doctor who never reads a medical journal.

This 3rd rate local agent saves a cent a day but he may cost his patron \$5,000 when a loss is settled—and thereby lose friendship and \$500 commissions.

GOOD AGENTS WANTED
THE
West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, President
C. O. G. MILLER, Vice-President
JULIAN SONNTAG, second Vice-President
WILLIAM C. HAMMOND, Secretary

LIFE

John D. Sage, secretary, has been promoted from the secretaryship to the second vice presidency of the Union Central Life. Sage remarks are now in order.

W. C. Whiting of the San Francisco department of the Columbian National Life has been transferred to Boston.

The Penn Mutual wrote \$79,402,408 new business.

Never ask a prospect a question to which he can answer No.

The Anchor Life of Indianapolis has been sold to the Columbus Securities Co. by the Amalgamated Ins. Corporations which has Oklahoma indigestion. There is trouble ahead, at least for the stockholders of some of these new specially conducted life companies.

A New York bill proposes to permit loans on policies without holding the policy as collateral.

Health and Accident Insurance

The Preferred
Accident Insurance Co.
OF NEW YORK.

KIMBALL C. ATWOOD, President
WILFRID C. POTTER, Secretary

Assets, January 1, 1912	\$2,727,415 00
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,331,195 00
Claims Paid, Over	8,600,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1912

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$16,953,773.59

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,006,556.02

PACIFIC COAST DEPARTMENT:

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

To
Insurance Men:

**THE COMPANY
WHICH ADVERTISES**

Is the Best Office to Work
For

A Word to the Wise

THE Standard Accident

Insurance Company

Of Detroit, Mich.

LEM W. BOWEN, President

J. S. HEATON, Secy.

Cash Capital, \$ 500,000

Gross Assets, - 4,030,455

Claims Paid, - 15,000,000

Writes Accident and Sickness Insurance, Accident Policies Provide for—Unlimited Indemnity, Beneficiary Benefits, Accumulations, Optional Benefits, Hospital Indemnity, Combination Features, Surgeons' Fees Where no Claim for Disability is Made, Special Benefits for Sunstroke, Freezing, Etc.

Accident and Sickness Insurance for Women.

Contracts Practically Without Conditions.

CLARENCE F. BRIGGS,

SUPT. PACIFIC COAST DEPARTMENT.

California, Oregon, Washington, Idaho, Nevada, Arizona, Utah, and the Hawaiian Islands.

Mills Bldg., **San Francisco**

H. H. HAIGHT, District Agent.

Contracts Unexcelled. Agents Everywhere.

ONE HUNDRED YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH
which are but a small part of total fire-assets of the Co. **\$9,139,794.00**

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

JOHN McC. ANDERSON, Resident Secretary, Local Dept.

234 Pine Street, San Francisco, California

Field Representatives

E. I. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON, OREGON, MONTANA.

H. W. GELINLY, 301 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH, WYOMING.

CHAS. HARRIS, 35 Third Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA, ARIZONA.

G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHONEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, AN FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$ — in premiums." "My business is chiefly —." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye. They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824.

North American Branch:

Hartford, Conn.

JAMES H. BREWSTER

MANAGER.

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash., Oregon, Washington, British Columbia.

PAUL B. SOMMERS, State Agent.

H. C. EDMUNDSON, Special Agent, 708 Gas and Electric Bldg., Denver, Colo., Colorado, Wyoming, New Mexico, Utah, Idaho, Montana.

H. W. FORES, San Francisco, Cal., General Agent, California, Nevada, Arizona.

SAN FRANCISCO OFFICE:

409 California Street

HOME LIFE'S PROSPEROUS YEAR.

—The fifty-second annual statement of the Home Life Insurance Co., of which George E. Ide is President, shows that the company has enjoyed a most prosperous year in every department. The insurance in force on December 31, 1911, was \$105,047,760, against \$100,214,968 December 31, 1910—a gain of \$4,832,792 for the twelve months. Total assets of the company are reported at \$26,377,420 as compared with \$25,025,299 on December 31, 1910—the increase for the year thus amounting to \$1,352,121. After the payment of death claims, matured Endowments, &c., of \$2,810,000, which also includes dividends to policyholders (more than \$484,000), and after the addition of over \$1,088,000 to the reserve fund, the surplus is increased by \$68,882, and is now \$1,863,494 over and above the sum of \$2,435,269, which is reserved for deferred dividends.—*The Com'l. & Fin'cl. Chron.* 1-27-12.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,
256 BROADWAY, NEW YORK, N. Y.

SURETY

President Lafrentz of the American Surety Co. of New York conferred with the authorities at Washington concerning the proposed ruling excluding against admitting foreign securities in the accepted statements of surety companies. Eight have \$1,500,000 invested in British, Canadian, Mexican and Chinese government issues. The treasury department ruling is embarrassing to every surety company doing business abroad.

The Surety Underwriters' Association of New York gave a cabaret dinner at Martangz January 8. The most prominent men in the business were there.

In four years nine surety companies in this country lost \$3,000,000 in surplus.

LIABILITY

The New York state ins. dept. has ruled that while an ins. co. may pay dividends out of the profits, profit-sharing endorsements on liability policies are not permissible. Such endorsements, Supt. Emmett says, do not constitute profit-sharing in any sense of the word. There cannot be such a

thing as profit on a single insurance transaction.

FIRE

As the result of state-rating, many companies in Kansas lost money last year, and some had Kansas losses in excess of premiums.

Texas locals demand "the same commissions as paid in other states." Some of the California locals prefer the old rate, and say the Texas fellows don't know when they are well off.

The FRANKFORT

General Insurance Co.

Of Frankfort-on-the-Main, Germany. Established 1865

U. S. Department, 123 William St., New York, N. Y.

C. H. FRANKLIN,

JNO. M. SMITH,

U. S. Manager and Atty.

Sec. U. S. Branch

TRUSTEES—Richard Delafield, Pres. of National Park Bank; Ernst Thalmann, of Ludenburg, Thalmann & Co.; Stuyvesant Fish, 52 Wall Street, New York.

Employers, Landlords, Contingent, Elevator, Teams, Vessel Owners, General, Medical and Public Liability, Workmen's Collective, Burglary, Individual Accident and Health, and Industrial Accident and Health Insurance.

WALTER A. CHOWEN,

General Agent Pacific Department

Carmen-Johnson Bldg., 340 Sansome St., San Francisco, Cal.

Agents Wanted For Unoccupied Territory

American Central INSURANCE COMPANY
of St. Louis Established 1853
Assets. \$5,550,103 Surplus to Policyholders. \$2,858,229 Losses Paid. \$24,845,140

St. Paul F. & M. INSURANCE COMPANY
of St. Paul, Minn. Established 1865
Assets. \$8,032,864 Surplus to Policyholders. \$2,849,402 Losses Paid. \$40,714,821

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS
of St. Louis
Assets. \$5,550,103
Surplus to Policyholders. 2,858,229

Minnesota UNDERWRITERS
of St. Paul
Assets, \$8,032,864
Surplus to Policyholders, 2,849,402

TERRITORY California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817

Of PHILADELPHIA

Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital,	-	\$ 750,000.00	Cash Assets,	-	\$8,989,219.63
Net Surplus,	-	2,505,857.89	Policyholders Surplus,	-	3,255,857.89

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets,	-	\$25,942,992.00	Surplus to Policyholders,	-	\$11,559,758.00
Net Losses Paid in San Francisco in 1906.	-	-		-	\$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada

Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles

315 California Street, - - - San Francisco

FIRE

The Citizens of Baltimore (Fidelity Deposit) will soon enter California.

A Western Union rule prohibits allowances to locals for adjusting losses.

The National General of Great Britain is in trouble, due in part to a big loss on the Titanic.

Fires: Pipe dipping plant at Hillsboro, Ore. Near Marshall, Colo., fuel company's blgs. At Warm Springs, Cal.,

schooner and warehouse. Christmas tree fire at Hume, Cal. Hotel Washington lobby fire, Seattle. At Tacoma, Christofferson store. At Portland, Wm. Schmeer's furniture store. Colusa, Cal., church and dwg. fire. Hollywood, Cal., Bogardus mansion. Garage at 1122 South Olive street, Los Angeles. Oakland, Cal., Thomas Booth plating works; loss \$75,000.

Fires: Wallace, Idaho, Henry Cline Adjuster Arrested.—Jos. Clark is store. Warehouse of Turner Lumber charged with trying to bribe a Chicago Co. Grand Central hotel, Coalingo. court official.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES, \$2,529,585.00

Office: **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

Statements showing the standing of the

CALEDONIAN	INSURANCE COMPANY	Of Edinburgh
	The oldest Scottish Fire Office	(Organized 1805)
Capital	\$5,078,365 32	Assets, \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN	INSURANCE COMPANY	Of New York
Capital . . . \$200,000 00	Cash Assets . . . \$250,264 00	Surplus to Policyholders . . . \$231,505 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,405 19
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Pacific Department Office: 430 California Street, San Francisco.

CONROY & OLDS, Managers

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

CASUALTY

The underwriting manager of the International Casualty Co. of Spokane, A. S. Mathews, has resigned.

The Fidelity Accident of Saginaw, Mich., finding rates too low, has reinsured and will retire.

The New Amsterdam reduced its capital from \$314,000 to \$250,000 in the last week in December, but has since increased it to \$400,000 and added \$37,500 to its surplus.

The Preferred Accident of New York has discontinued writing employers' liability and workmen's compensation insurance. Wise indeed.

In 14 months there were 228 accidental deaths in hazardous occupations in Washington, more than half in woodworkeries and coal mines. The industrial commission collected \$1,200,000 and paid \$600,000 to claimants besides setting aside \$284,000 for pensions.

The New York Casualty Exchange of New York has been organized.

The London Guarantee & Accident has just withdrawn from six southern states. Some of this business is now being reinsured.

American Accident Statistics

The following statistics carefully compiled from the most available sources startlingly emphasize the necessity for the continuous protection of disability insurance:

Over 90,000 Americans are accidentally killed annually.

247 killed every day—over 10 every hour.

Over 920,000 accidentally injured annually.

Over 2,520 every day—over 210 every hour.

Over 7,900 persons killed annually by railroad accident.

Over 21 every day—one nearly every hour.

Over 58,150 persons injured annually by railroad-accident.

Over 150 every day—over 6 every hour.

Over 1,500,000 are constantly disabled by disease.

Over 55,500 new cases every day.

Over 2,314 new cases every hour.

Over 386 new cases every minute.

Disability insurance covers all accidents and every illness. — Preferred Pilot.

FRATERNAL

The Royal Achates of Omaha will re-insure and wind up.

LIFE

The Boston board has just rescinded the 15 percent increase on storage stores made because of the San Francisco 1906 experience.

The old India Mutual of Boston has been rubbed out by the New Jersey Fire Ins. Co.

The Knickerbocker is the name of a nyu N. Y. company.

The Vulcan Fire has entered Colorado.

California Bank Clearings in December

	1912	1911
San Francisco	\$230,631,977	\$216,409,055
Los Angeles	108,695,154	84,638,335
Oakland	15,480,604	15,064,356
Sacramento	8,862,499	7,540,789
San Diego	12,358,613	8,555,544
Fresno	5,526,719	3,911,621
Stockton	4,077,347	3,769,696
San Jose	3,091,760	2,952,898
Pasadena	4,328,106	3,767,057

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

**POLICY
PROVIDING
PERFECT
PROTECTION**

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.

HOME OFFICE
SEATTLE
U. S. A.

\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over **\$500,000.00**

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets \$2,404,810.30
Liabilities in United States 1,377,501.45

Surplus **\$1,027,308.85**

PACIFIC COAST DEPARTMENT

129 LEIDESDORFF STREET - - - SAN FRANCISCO
W. L. W. MILLER, Manager.

Total Assets Represented over \$20,000,000

Svea
Insurance Company
of Gothenburg

Agricultural
Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire
Insurance Company
of New York

Hamilton Fire
Insurance Company
of New York

Globe Underwriters
of New York

EDWARD BROWN & SONS
General Agents Pacific Coast Department
202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

On the Great Lakes

Even with all the work of the government the captain of a lake freighter has no fool's job. They are all serious minded fellows with wonderful reserve force, an almost sixth sense of location and a really psychic perception.

Like the mechanic who deals with the micrometer in measurement, he is usually honest in his man to man relations; for exactness is his daily life—a point off the compass will bring him miles off his objective point.

To give some idea of the accuracy of these lake courses, a captain will come up Lake Superior from the Soo, with no land in sight 200 miles for 24 hours, and strike a little pocket-like entrance of the Portage canal in the dead of night with the ease and exactness of a sober man going in his own front gate at two in the morning.

They can see shore, a shore light, a boat in a fog or any object a minute and a half sooner than a landsman with normal eyesight.

But speaking of the perceptive sense, they tell many stories on the Great Lakes that are uncanny.

For instance, a captain will awaken out of a sound sleep in his cabin, instantly jump out of bed, run out on deck to find an incompetent mate steering into another boat, into the shore or onto a reef.

The instinct of self-preservation seems to become stronger aboard ship even among common sailors. As an illustration of this, say on a wooden boat, there will be the smell of coal smoke, hot oil, pitch, fresh paint and cooking in the galley, but if anyone would set off a rag as big as a woman's handkerchief, all the men off watch would come tumbling out of theirunks from a sound sleep, rubbing their eyes and with their noses in the air.

One captain tells the story that one night he smelled smoke while on the ridge and had all hands on deck and ver the boat looking for the source of

it, when suddenly he put his hands in his side coat pocket where he had placed his lighted pipe a few minutes before, and felt the fire of his pocket lining burning out.

Lake Huron is 20 feet lower than Lake Superior, and at the present time the boat traffic is cared for by three locks, two American and one Canadian. The first or old American lock is not long enough for some of the 600-foot boats now being put out by the steel trust and a few other transportation companies, and it is hardly deep enough for any craft except when light—that is, without a cargo. The second American lock carries most of the traffic and with it a 600-foot freighter can be put through in 15 minutes.

An old barge captain told the writer that 40 years ago in the schooner days it required five hours to go through a wooden lock with hand gates, that a boat frequently had to wait three days.

The United States has a third lock in the course of construction and the excavation for it looks like a youthful Panama Canal.

Abreast of the locks is the rapids, the natural course of the Soo river, and were a gang of Indians with small boats shoot tourists amid the rocks, down the fast waters at a dollar per tourist per shoot.

Within ten years lake traffic will have so increased as to require that these rapids be converted into locks—in fact, there is more tonnage going through these locks now than through the Suez Canal.

Lake Superior, by the way, is known as the Sailor's Graveyard; for its average depth is 600 feet, the water is so cold and has such a strong undercurrent that a body without a life preserver never comes up.

There are heavier fogs on this lake than any other body of water in the world, which is by reason of the fact that the air is so often warmer than the water.—Cottrell's Magazine.

The Northern Assurance Company Limited

OF LONDON

Established 1836

Accumulated Funds, \$39,436,873.00
 Invested in the United States, 5,303,005.00

FRED C. H. ROBINS, Manager Metropolitan District

330 California Street, - - - - San Francisco

(For San Francisco and Bay Counties)

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PACIFIC COAST SPECIAL AGENTS:

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D. R. ATKINSON, Portland, Or.

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LOWREY C. HOLLOWAY, San Francisco, Cal.

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GEO. F. GUERRAZ, Seattle, Wash.

G. MUELLER, Los Angeles, Cal.

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Pacific Surety Company

C. H. CRAWFORD,

PRESIDENT

Established - 1885

**BONDS
 ACCIDENT
 PLATE GLASS
 Employers Liability
 INSURANCE**

Home Office
 FIRST NATIONAL BANK BUILDING
 San Francisco

The London Assurance Corporation

OF LONDON

Cash Assets. \$23,044,775.00

The London Underwriters

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A. W. THORNTON, *Manager*

J. M. MENDELL, *Assistant Manager*

G. E. GOGGIN, *City Manager*

WM. HACKETT, *Supt. of Agents*

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

LIFE

A Massachusetts bill prohibits life companies from writing both participating and non-participating policies.

Two Southern life companies are to be absorbed by the International Life of

St. Louis. Later, the latter may in turn be swallowed by a bigger fish.

The agent who can't convince himself that he needs life insurance can not convince the average prospect either.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$28,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$220,000,000.00

United States Branch, 92 William St., New York City

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LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold) - - -	\$ 250,000 00
Cash Assets (Gold) - - -	1,718,386 33
Net Surplus over Capital (Gold)	1,044,865 35
On deposit in the United States, (registered U. S. bonds) - - -	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents
Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco
[Babcock Building]

PHOENIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building
(Entrance on Hallock Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

*Of all kinds at very low rates.
Employers Liability Policies in-
demnifying employers against
claims for accidents to employes.
Individual, Fidelity Bonds and
Accident Policies. Workmen's
Benefit Policies. Vehicle Insur-
ance. General Liability Policies
on buildings. Elevator insurance.*

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.
Royal Insurance Building

The Capital, Merchants & Bankers Fire of Iowa has reinsured in the German-American. The Delaware will now wind up its affairs. The perpetual business may be canceled off.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY
Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General manager

Union Assurance Societies

1714

OF LONDON

1907

Cash Assets in U. S. A.

\$1,224,580.16

Surplus in U. S. A.

\$836,556.74

CATTON, BELL & CO., General Agents

R. C. MEDCRAFT,
 Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—JOHN E. COSGROVE, San Francisco. F. F. RICHARDS, Los Angeles.

WM. M. PATTERSON, Portland.

JESSE DEBRUHL, Spokane.

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000 LOSSES PAID OVER \$100,000,000

PACIFIC DEPARTMENT

J. L. FULLER, Manager

558 Sacramento Street
 SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

CONROY & OLDS, Managers

Salt Lake City December building permits \$2,110,000.

The Calumet has withdrawn from ten states in the East and West.

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY-THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

Alaska Commercial Building - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by the State of Massachusetts

Incorporated 1849

Total Assets	\$10,407,847.65
Total Liabilities	7,537,140.04
Net Surplus	2,870,707.61

SURPLUS TO POLICYHOLDERS, \$4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by the State of New Jersey

Incorporated 1811

Total Assets	\$1,870,656.00
Total Liabilities	1,010,774.70
Net Surplus	859,881.30

SURPLUS TO POLICYHOLDERS, \$1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

SEMI-ANNUAL STATEMENT JUNE 30, 1912

Assets	\$10,678,673 37
Capital and Surplus	3,124,412 06
Losses Paid to June 30, 1912	39,481,720 02

This company grants insurance as follows :

Fidelity Bonds, Surety Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers' Liability, Public, Teams, Automobile, Workmen's Collective, Workmen's Compensation, Elevator, and General Liability, Personal Accident, Health, Physicians' Liability, and Druggists' Liability

Pacific Coast Department: (California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange, San Francisco. Washington and Oregon—SEELEY & CO., 111 S. 10th St., Tacoma; Coleman Bldg, Seattle; Board of Trade Bldg, Portland.



Twenty-five, Thirty, Thirty-five Years.

The Prudential has agents who have been in its service for these long periods. It is the Company that helps and holds its men.

Write us about an agency.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Founded by JOHN F. DRYDEN, Pioneer of Industrial Insurance in America

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



A New Bond for Insurance Companies

Prepared after an exhaustive study of the needs of Insurance Companies. Write for a copy.

American Surety Company ^{OF} NEW YORK

The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.

JAMES K. LYNCH, RESIDENT VICE-PRES.

CHARLES A. SHURTLEFF, Counsel

R. D. WELDON nager, Pacific Coast District

BRANTLEY W. DOBBINS, Mgr. for Northern California and Nevada

Merehants National Bank Bldg. San Francisco. Telephone Kearney 1099

Of 17,000 shares, 16,000 were represented at the recent annual meeting of the Rocky Mountain Insurance Agency company at Salt Lake. E. J. Milne was

elected president, Dr. H. B. Sprague vice president, W. G. Hunter secretary, and W. W. Trimmer cashier. A gain in earnings for the year was reported.

The Great Lakes

The Great Lakes boats have reduced freight charges to the lowest point in the world's history. Coal is carried, say, from Cleveland to Duluth, 860 miles, in three days, at 30 cents a ton, and ore is carried down the same distance for 40 cents a ton.

The construction cost of a modern 600-foot boat is about \$360,000.

At certain seasons most of the Buffalo and Chicago freighters carry wheat down, and as there is a three-month period between December and April when navigation is impossible on the Great Lakes, these huge hulks are used for grain storage at their docks.

The whaleback type of steel boats, or pigs as they are commonly called, so common ten years ago, is about off the lakes—they were not economical to handle in connection with modern loading and unloading devices. Most of them have been sent down East and are now in the ocean coast trade, for they are fast and will stand heavy seas.

The lumber trade is still heavy, but is on the wane. Lumber is still carried by wooden boats and some few small steel boats, never over 300 feet long in either case. A few of the old wooden ore boats are now in the lumber trade.

Full rigged schooners are now few and far between. There are some up around Georgian Bay and on Lake Michigan. One captain who had made five trips from Cleveland to Duluth this year told the writer he had seen only three. The tow line has put them out of business; for all of the lumber boats, nearly all of the Standard Oil Company's tank boats and a few of the smaller ore boats tow barges.

Towing on the lakes, though, is different than that, say, on the Mississippi river; it is done with a longer line, a thousand feet in most cases, so that the pull is easier by reason of the barge

being out of the current of the steamer's propeller. Lumber boats frequently tow two barges. Nearly all barges, with the exception of ore and the more modern oil barges, carry a main and stay sail to help themselves along.

A package freighter is still another class of boat by reason of the fact that they are built with two decks and one or more gangways. Package freight seems to include everything not in bulk mass such as pipe, wire, flour and machinery. All copper is shipped in pig and ingot form as package freight. Cottrell's Magazine.

\$1,000 Fine

Bertin & Lepori, San Francisco liquor dealers, have been again found guilty of violating the pure food law. They closely imitated the bottle and brand of a world renowned gin. The federal court assest a fine of \$1,000.

What of the moral hazard of this risk?

The Webfooted

The Rosarians from Portland came down and planted a rose vine on the Panama-Pacific fair site and were then taken up into a high building and tempted to overeat and overdrink. Charles K. Field (of the New England Mutual Life) acted as toastmaster. He said that he overheard somebody ask Oregonian Dana after gazing at his feet, whether it was true that it rained so much in Portland that the inhabitants' toes grew together. To which Dana replied:

"Surely they do. How do you think they grow? One by one?"

Baby earthquakes wandering over central and southern California. A 20-seconds shake in South Carolina, where they had a severely severe one in 1888.

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

The first office to commence paying losses after the conflagration.

The first office to commence paying in full the face of the policies, without discount, for cash or exchange.

The only general agency that remained in San Francisco where its patrons suffered.

The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.

The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

**Get the Best Insurance While You Are About It
It Costs No More**

January 1, 1912

OLD AND TRIED **GLENS FALLS INSURANCE COMPANY**
Of New York Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,178,041 00
UNDIVIDED PROFITS	2,719,805 00

SECURITY INSURANCE COMPANY
Of New Haven Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,684,570 00
UNDIVIDED PROFITS	940,287 00

GIRARD FIRE AND MARINE INSURANCE COMPANY
Of Philadelphia Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,587,784 00
UNDIVIDED PROFITS	425,652 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal.

Fire Automobile Marine

COMMERCIAL UNION

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$ 14,750,000
Paid-Up Capital	1,475,000
Total Cash Assets, Gold	56,579,048
Total Liabilities, including re-insurance reserve	46,019,127
Cash Surplus to Policyholders	10,559,921
Total Amount of Claims Paid	175,573,348

Assets in United States Held by Trustees, \$7,643,751

ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE

Security Building, 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

ACCEPT NO SUBSTITUTES

THE COAST REVIEW'S

PACIFIC FIRE CHART 1913

UP to Date, UP to Standard, UP to Reputation

5 YEARS' FIGURES

Capital, Net Surplus, Policyholders' Surplus, Assets, Liabilities, Re-insurance Reserve, Net Premiums, Net Losses, Expenses, Loss Ratio, Expense Ratio, Income and Disbursements, Coast Premiums and Losses and Loss Ratio, San Francisco Premiums, Business by Agencies and Departments, Retired Stock and Mutual Companies, Pacific West Business by States and by Companies, Principal Court Decisions of a Year, American Fire Companies Which Paid No Dividends in 1912, Percentages of Dividends to Stockholders Funds

Tables of Short Rates

STABILITY AND STRENGTH

RESOURCES OVER \$47,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

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ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets
San Francisco, Calif.

Branch Offices: Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00

Assets, \$9,268,924.08

WILLIAM J. DUTTON

PRESIDENT

BERNARD FAYMONVILLE

VICE-PRESIDENT

LOUIS WEINMANN

SECRETARY

A. W. FOLLANSBEE, Jr.

MARINE SECRETARY

J. B. LEVISON

SECOND VICE-PRESIDENT

H. P. BLANCHARD

ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

T. M. GARDINER

TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building

Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

9-85 Wall Street, New York

VOL. 84
NO. 2

FEBRUARY

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast INSURANCE Review

PROTECTION

An Insurance Journal and Directory

IN ITS FORTY-SECOND YEAR

San Francisco: Merchants Exchange Building

The Only *INSURANCE* Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

Some Life Insurance Figures
Some California Fire Figures
Some Coast Fire Figures
Some Marine Figures
Extracts From Fire Underwriters' Assn. Papers
Five Years San Francisco Fire Premiums
Automobiles Increase Fire Losses
First National Fire Enters California
An Important California Fire Decision
Annual Statements
A Life Commission Decision
Fire Mutuals in Oregon
Lloyds of London Criticised
Some Proposed Legislation
Life and Casualty Matters
Coast Fire Business by Agencies
Sacramento Claim Settled at 55 cts on the 100

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets
\$58,371,415.00

Assets in U.
\$13,739,218.

LIVERPOOL & LONDON & GLOBE
INSURANCE CO. LTD.

NEW YORK OFFICE, 45 WILLIAM STREET.
H. W. EATON, Manager
G. W. HOYT, Deputy Manager
J. B. KREMER, Ass't Deputy Manager
T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

NEW ORLEANS OFFICE, COR. CANOULET & COMMON STS.
CLARENCE F. LOW, Manager
J. G. PEPPER, Ass't. Mgr
THOS. H. ANDERSON, Deputy Ass't. Mgr

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
JOHN W. GUNN, Manager
R. P. FABJ, Ass't Manager

CHICAGO OFFICE, 205 LA SALLE STREET.
W. S. WARREN, Manager.
GEO. H. MOORE, Assistant Manager
HUGH R. LOUDON, Deputy Ass't. Mgr

CALIFORNIA, NEVADA, OREGON, ALASKA, WASHINGTON, ARIZONA, IDAHO, FLORIDA, ARKANSAS, MISSISSIPPI, ALABAMA, OKLAHOMA, TEXAS, GEORGIA.

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO.

DEUS NOBIS SUBSIGILLUM
DOMINE DIRIGE NOS

Established 1836

Entered U. S.

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05
Surplus	\$ 4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144

LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852
In the Company's Building,
514 California St., San Francisco

JOHN W. GUNN, Manager
R. P. FABJ, Assistant Manager

Special Agents:

R. G. BRUSH
W. H. RAYMOND

R. H. ROUNTREE
CHESTER S. MYRICK

HARRISON HOUSEWORTH
F. E. ATKINS

D. B. EDWARDS
GEO. J.



Conflagration-Proof Insurance



Losses paid to date, - - over \$164,000,000

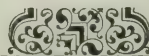


GEORGE H. TYSON GENERAL AGENT.
HERBERT FOLGER, ASST. GENL. AGENT
SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



SOLICITING INSURANCE FOR
THE MUTUAL LIFE INSURANCE CO. OF NEW YORK
IS ONE OF THE MOST LUCRATIVE OF CALLINGS

Are you in the business to stay? Choose a Company good enough for you to stay WITH, and strong enough to stay with YOU, during your whole career;

The oldest Company in America, which began business seventy years ago, is bigger, better and stronger now than ever before, and will be still bigger, better and stronger seventy years hence;

Not the company which YOU must introduce, but the Company which introduces YOU wherever you go;

The Company whose better selling qualities earn most for you in the way of commissions;

The company which furnishes the insured the largest protection for his money.

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

LIFE

The Continental Life & Inv. Co. has \$1,031,656 assets and \$98,431 net surplus. New ins., \$2,552,384; in force, \$8,247,831. It is denied that this co. is to be consolidated with another.

They are legion, to wit, videlicet, the new life companies.

The Phoenix Mutual Life is now in its 62d year, with \$147,652,325 outstanding insurance, and \$22,500,000 written last year.

FIRE

Fires: Seattle, Feb. 13, Times and Denny buildings burned. Loss \$200,000.

Fires: Polson, Mont., Dawson's furniture store. Aberdeen, Wash., Clapper's department store. Tucson, A., Hughes coffee store. Roseburg, Or., flour mill.

In New York it is proposed to change the law by making a person who wilfully burns, or sets on fire, a vessel, car or other vehicle, or a building, structure or other erection, which is at the time insured against loss or damage by fire, with intent to prejudice or defraud the insurer thereof, guilty of arson in the second degree, instead of in the third degree as classified by the existing statute.

Plate Glass.—In New York there is the expected crashing of plate glass organizations. At least, the Preferred Accident is withdrawing from two, on the ground that other members are repeatedly violating rates and rules. It was ever thus. The Metropolitan and the Globe are also withdrawing. Dishonesty never pays long. The biggest sufferers by the plate glass break will be the dishonest companies.

Vice President Faymonville of the Fireman's Fund returns from Des Moines "with a feather in his cap."

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00
Net Surplus, 217,716 00
Total Assets, 1,320,465 00

OFFICERS

W. E. DEAN, President
 GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
 GEO. L. PAYNE, Treasurer

**HOME OFFICE: Company's Building, 550-558 Sacramento St.
 SAN FRANCISCO, CAL.**

Special Agents and Adjusters

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**Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
 and at the rate of "Dollar for Dollar."**

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 Eastern Department, Philadelphia, FRANK C. STURTEVANT, Manager.
 Middle East Department, Pittsburg, LOGUE BROS. & CO., Gen'l Agts.



LTD.

OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

**PACIFIC DEPARTMENT - - 571 SACRAMENTO ST.
 SAN FRANCISCO, CAL.**

JAMES WYPER, - - Manager

THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM

AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES

Pacific Coast Casualty Co.

Of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00

Assets, : : 1,231,513 10

E. F. GREEN President
MARSHAL A. FRANK Vice-President
CARL G. BROWN Secretary

DIRECTORS.

Henry E. Bothin	-	E. F. Green
Edward L. Brayton		Carl G. Brown
Joy Lichtenstein		J. W. Phillips
Marshal A. Frank		J. H. Bennett
F. P. Deering		A. L. Meyerstein
H. A. Bauer		

Head Office: Merchants Exchange Bldg.
San Francisco

Fire Legal Brevities

Mortgagor Chargeable.—Where a mortgagee agreed to attend to the insurance on the mortgaged premises and procured policies of insurance thereon and retained them in its possession, the mortgagor was chargeable with notice of their provisions.—Commonwealth Fire Ins. Co. v. Obenchain, 151 S. W. 611.

Conveyance.—Insurance company liable although no policy was issued, because it had agreed to attend to the matter, held not relieved of liability by a conveyance as security two years before the loss because the policy, if issued, would have been subsequent to such conveyance.

Premium.—Failure of insured to pay insurance premium when notified by local agent that it was due held not to relieve the company, the mortgagee, from liability where it had agreed to attend to the insurance, had done so for a time, and had not notified the insured that it would not continue to do so.—Id.

Mortgage and Arson.—Where the evidence tended to show that loss under a fire policy was occasioned by incendiarism, evidence as to the existence of a mortgage on the property was admissible as tending to show a motive.—Philadelphia Underwriters' Agency of Fire Ass'n of Philadelphia v. Brown, 151 S. W. 899.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-one Years for

Low Rate of Mortality

Economy of Management

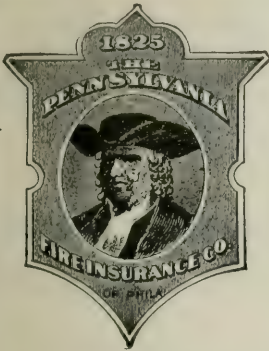
Prompt Payment of Claims

GROSS ASSETS, OVER - - - \$18,200,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Hellman Building) LOS ANGELES, Cal.



The
Pennsylvania

*Fire Insurance Company
 of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
 in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

**SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
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TO INSURANCE MEN

The Company

The Office

THAT ADVERTISES

Is the Best Office

Is the Best Company

TO WORK FOR

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company his leader. That company is certain to be the Continental = = = = =

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J. A. CARLSON, Spokane, Wash.

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Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



FOUNDED 1806

Funds Exceed - - \$ 46,000,000

Annual Income Exceeds 6,500,000

Claims Paid Over - - 130,000,000

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SAN FRANCISCO, CALIF.

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COAST REVIEW POSTERETTE

“Fire Insurance Is A Trust”

YES

IT WILL TRUST YOU FOR THE PREMIUM

60 DAYS

WALK IN

Without Knocking

And Leave The Same Way

ESTABLISHED IN 1845

Prussian National

Insurance Company

(OF GERMANY)

CAPITAL, . . . \$2,250,000.00

ASSETS, . . . 5,130,876.07

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General Manager

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315 South Broadway

LOS ANGELES, CAL.

The
Metropolitan
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Pacific Coast Head Office

Metropolitan Life Building

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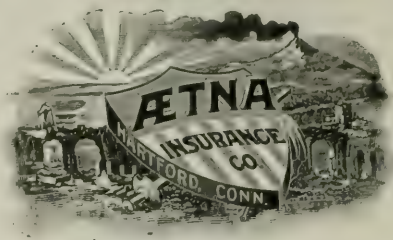
SAN FRANCISCO

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Net Surplus
\$7,834,194 74
Surplus as to
Policyholders
\$12,834,194 74



Cash Assets Now
\$22,017,389.71

Losses Paid
in
93 Years
\$128,003,578.89

All Losses Paid in Cash Without Discount Immediately Upon Adjustment

A. G. SANDERSON, General Agent

W. H. Breeding, Supt. of Agencies

Main Office, 301 California Street
SAN FRANCISCO

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This Company has absolutely *no* connection with any other corporation bearing the name of *Aetna*.

MARINE AND AUTOMOBILE DEPARTMENTS

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325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21
Surplus to Policyholders 10,513,692 22
Losses Paid, Over . . . 158,607,806 00

PALACHE & HEWITT, General Agents

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

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P. H. GRIFFITH
WILLIAM S. DENNIS
NEIL STEWART

C. E. MILLER
M. E. SPAULDING
J. HENRY WOLBOLD

GEO. E. DEVINE
R. E. DOLLARD
L. H. EARLE

February, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 42d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 85

San Francisco, California, U. S. A.

Number Two

Entered at San Francisco Postoffice as second-class mail matter

A fire can never be imprisoned, for, like the smallpox, it will always break out.

++

The Empire Life of Seattle is Anchored at last. Otherwise the government might have shot it full of holes and sunk it as a derelict.

++

Insurance journals always mention a company's "good year" but are discreetly silent as to its bad year.

++

Wooden men never change their opinions.

++

Only death deprives a demagogue of breath.

++

In 30 years fire insurance expenses have increased from 33 percent to 40.

++

Life insurance becomes more like an investment every year. The banks are taking notes.

++

This is the season when companies hide their bad statements, lest they be skinned.

++

Reduced expenses often means increased losses.

Odd fact, isn't it? that freak legislators are generally honest.

++

Fire companies may some day operate life insurance companies in self defense.

++

We are told that the safest place outside of a safe is on a railway passenger train, "for which reason double benefits are given for accidents of travel."

++

Without self respect life is not worth living.

++

Life men should eat plenty of gluten in order that they may stick together.

++

There is a town called Cleveland. Oh! The village authorities freakwently do phoney things. Men bathers at the lake beach on the outskirts must wear skirts below the knees. Last week the members of the local fire insurance exchange were indicted and their books seized by the Cæsars.

++

The leading insurance company is numerous in these annual statement days.

The Fire Insurance Companies

can "do without" California but California cannot do business without their protection.

State Life Insurance Unsuccessful in Wisconsin

A curious law, framed by honest, but impracticable men, is now in effect in the state of Wisconsin. This law provides for life insurance by the state.

The theory of state life insurance may be good, but the practice is bad. The law is a sop to socialism, but it supplies no necessity and effects no economy.

The results of this American experiment were foretold. Men insure their lives only after urgent solicitation, and will not voluntarily apply for life insurance even if the state guarantees the contract and invests the funds.

The result of the first American experiment in life insurance by the state has been failure. In two months, after all the free advertising and "boosting," scarcely two dozen men applied for state policies. A new private corporation would have secured more applications in half a day.

The only "benefits" of life insurance by the state are jobs and salaries for "hard working" politicians. The "malefits" are increased taxes and scandals of political management.

Bound volumes of the Coast Review for 1912 with or without advts, may be had for \$3.00.

The Prudential Figures

Issued and revived and paid for in 1912: industrial \$326,000,000, ordinary \$154,000,000; total, \$480,000,000; insurance in force, \$2,211,000, a gain of \$192,000,000. These are advance round numbers.

\$1,500,000 Bond

The American Surety Company has just signed a bond of \$1,500,000, to cover Harry A. Smith, administrator of the estate of David H. Wilson, formerly of Oregon, Ogle county, Illinois. The bond carries an annual premium of \$1,975. Mr. Wilson was a bachelor farmer who died intestate, and left no information concerning his heirs in fact. A neighbor, supposing himself to be the only friend, applied for and obtained letters of administration as next of kin. Mr. Smith, former mayor of Oregon chanced to learn that Mr. Wilson had relatives in Canada, who were also his own kin. The outcome was the revocation of the letters first issued, and the issuance of second letters on behalf of Mr. Smith. Mr. Wilson's estate consists chiefly of Standard Oil stocks, bought years ago at a low price.

The Late Lamented Empire Life Ins. Co. of Seattle

We never felt inclined to treat the existence and possible survival of this new scheme very seriously. It bore too many "earmarks" of "promotion." And moreover, industrial insurance requires capital, confidence, resolution and experience, in all of which we have understood the Empire Life to be deficient.

The business has been taken over by strangers, by companies not high up in age, experience and coin of the realm. The transferred policyholder should make careful investigation.

It is reported that some effort will be made to preserve the Empire Life corporate existence, but that report probably had its origin in a good-natured wish to "let down easy" the rather unfortunate stockholders.

Warranted.—The words "warranted by the assured that the within described building is occupied exclusively for dwelling purposes," stamped on the face of the policy, mean that the building was used exclusively for dwelling purposes.—*De Noyelles v. Delaware Ins. Co. of Philadelphia*, 138 N. Y. S. 855.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

FIRE

California—*Sievers v. Union Assur. Society of London*, 128 Pac. Rep. 771

Insurable Interest—Recovery for Loss

Under Civ. Code, §§ 2550, 2551, 2588, providing that the measure of insurable interest in property is the extent to which insured may be damaged by loss, etc., a tenant erecting a building on the premises, though the lease contained no privilege of renewal and provided for a reversion of the building to the lessor at the end of the lease, and procuring an insurance on the building which is destroyed before the end of the term, may recover the value of his interest in the building and not the value of the building.

Kerrigan, J. This is an appeal from the judgment in favor of plaintiff and from an order denying defendant's motion for a new trial in an action upon a policy of insurance against loss by fire. From the record it appears that the plaintiff took out said policy in the defendant company, being in the sum of \$1,000, and upon a building erected on leased ground; that the lease contained no privilege of renewal, and the building at the expiration of the lease was to "revert to and become the property of" the lessor; that during the life of the policy, and at a time one year lacking four days before the expiration of the lease, the building was totally destroyed by fire; that the plaintiff received a monthly rental from the building of \$225, and paid \$175 per month as ground rent, making a profit of \$50 a month; that the value of the building destroyed was \$1,650. The judgment was in favor of the plaintiff for the face of the policy, i. e., \$1,000.

We think, as contended by defendant, that the judgment should have been for the value of the interest of the insured, and not for the value of the building; in other words, that the judgment is excessive by approximately \$400. Section 2588 of the Civil Code provides that where, as here, the "name of the person intended to be insured is

specified in the policy, it can be applied only to his own property interest." To the same effect is section 2550 of the Civil Code which reads: "The measure of an insurable interest in property is the extent to which the insured might be damaged by loss or injury thereof." So, too, is section 2551, which provides: "The sole object of insurance is the indemnity of the insured, and if he has no insurable interest the contract is void."

The question was decided in the case of *Davis v. Phoenix Insurance Co.*, 111 Cal. 409, 43 Pac. 1115. There the plaintiff had paid on account of the purchase price of certain property the sum of \$450, when it was destroyed by fire; the actual cash value was \$800, and a policy of insurance for that amount had been issued to him. Under the terms of the contract of purchase, the plaintiff was under no obligation to carry out the contract, he not having bound himself to pay the whole purchase price, and the court held that the extent of his insurable interest was the amount paid on account of the purchase of the property at the time of the fire. At page 415 of 111 Cal., at page 1117 of 43 Pac., of the opinion, the court observed: "What is the extent of plaintiff's insurable interest? Insurance is a contract whereby one, for a consideration, undertakes to compensate another if he shall suffer loss. It is a contract of indemnity. * * * Under such a contract reparation must be made to the injured for the loss which he has suffered through his interest in the subject-matter, and to the extent of that interest, not exceeding the limit fixed by the policy. * * * In common parlance we speak of a house as being insured; but, strictly speaking, it is not the house but the interest of the owner therein that is assured. * * *"

The defendant contends that there is no sufficient allegation of nonpayment, and that the complaint is defective in several other respects. The defendant filed an answer, and the case was tried and decided as though the matters criticised by it were properly in issue. Hence, perhaps, the defects in the complaint must be regarded as cured. However that may be, the alleged defects are of such a character that they may be easily remedied upon another trial, which must be had for the error discussed hereinbefore, so we do not deem it necessary to deal with them at length.

The judgment and order appealed from are reversed.

Texas—American Cent. Ins. Co. v. Hardin et al, 151 S. W. 1152

Harmless Error

Error, if any, in overruling special demurrers to those parts of plaintiff's petition relating to what the insurer's agent told him about taking an inventory, and to the taking of additional insurance, was harmless, in view of evidence showing that there was a substantial compliance with the iron-safe clause of the policy, and that the agent authorized the taking of additional insurance or knew whereof before the loss, and had made no objection.

Forfeiture—Conditions Subsequent—Keeping Books and Inventory

Where insured had kept all the invoices of merchandise purchased by him and a book of entry in which he entered all sales on credit and all cash receipts from sales, from which the amount of goods on hand at the time of loss could be approximately established, in substantial compliance with the iron-safe clause, he was entitled to recover.

Estoppel—Delivery of Policy—Condition Against Other Insurance

An insurer whose agent consented in advance to the taking out of additional insurance and issued a slip showing such agreement was estopped from setting up such additional insurance as a forfeiture of the policy; and, in view of the agent's knowledge, the fact that such slip was not attached to the policy until after the loss was immaterial.

Reinsurance Decision

Where it appeared on the face of reinsurance policies that a statement that the reinsured retained a risk of \$750 on the same property was untrue, the reinsurers could not take advantage of the mistake after loss, but would be treated as having waived the same.

In an action on a policy of reinsurance, plaintiff is bound to establish the fact of the amount of loss, which is not done by proof of payment to the owner of the property.—*Scottish Fire Ins. Co. v. Stuyvesant Ins. Co.*, 76 S. E. 728.

Mutual Fire Decision

Mutual assessment fire insurance companies have no capital stock, the policyholders being the stockholders, and the cash paid in and the premium notes constituting the company's assets; and hence, upon the insolvency of such company, a policyholder cannot recover premiums paid in or avoid premium notes.—*Gleason v. Prudential Fire Ins. Co.* 151 S. W. 1030.

The appointment of a receiver for an insolvent mutual assessment fire insurance company terminates all fire insurance contracts, regardless of the payment of premium and period to continue.

A husband, having a freehold estate in the property of his wife and the right to control it, has an insurable interest therein.

Misdescription

Where by mistake a fire policy misdescribed the location of the property insured, insured's remedy is to ask for a reformation; but no action can be maintained upon the policy, where the property destroyed was not in the location described.—*Id.*

The court said:

The policy described the property insured as 90,000 feet of oak and poplar lumber on Central avenue, La Follette, Tenn. As a matter of fact, the lumber was actually stacked a mile west of the town of La Follette, and was not on Central avenue.

The chancellor dismissed this petition, and it is argued by counsel for Silcox upon appeal that the location of the property given in the policy was the mistake of the agent of the company. Proof is introduced tending to show that the agent, when writing this policy, was correctly informed as to its location, and that the erroneous location given in the policy was due to his mistake. However this may be, whoever made the mistake in the outset, we do not think there can be a recovery upon this petition and upon this policy for the property that was actually destroyed. The matter of the location of the risk is one of highest importance in all insurance contracts. Premiums vary according to the location of the risk, and the location otherwise enters into the contract between the parties.

If the agent did make a mistake in writing up this policy, as from the proof herein he appears to have done, the remedy of petitioner is to ask for a reformation of the policy, so as to make it evidence the contract actually made between him and the company.

There can be no recovery under a policy covering lumber on Central avenue, in La Follette, for

the destruction of lumber a mile west of the town of La Follette, unless there be a reformation of the policy.

The decree of the chancellor denying relief on this petition will be affirmed; but the cause will be remanded in this respect to permit of amendments to the petition along the lines suggested.

LIFE

General Agent's Suit for Renewal Commissions

Maine—Gooding v. Northwestern Mut. Life Ins. Co. 85 A. 391

Parol Evidence

Where the employment contracts upon which an insurance agent relied in an action for commissions on renewal premiums were unambiguous, parol evidence of interpretations placed upon them by acts of the parties was incompetent to vary their terms.

Customs and Usages—Agent's Contract

In an insurance agent's action for commissions, evidence of customs governing the relations between the insurance company and its agents could not be considered to vary the terms of plaintiff's plain and unambiguous employment contracts and entitle him to commissions on renewal premiums contrary to such contracts.

Sub-Agency Contract—Construction

Where an insurance solicitor's sub-agency contract stipulated that, in case of the death or retirement of the general agent while the contract was in force, the subagent should be entitled to two years' renewal commissions on business already placed by him, "provided he continues during such two years to act as an agent for the company," the proviso did not extend the period during which the commissions on renewal premiums were to be paid, but merely imposed additional conditions during the period.

Commissions on Renewal Premiums

An insurance agent is not entitled to

commissions on renewal premiums after termination of his employment, in the absence of an express contract to the contrary.

The fact that a mutual life insurance company fixed its rates on the assumption that commissions on renewal premiums would be paid the agent as long as the policy remained in force did not entitle an insurance agent to a commission on renewals contrary to the terms of his employment contract after the termination of his employment.

The plaintiff's first connection with the company was in September, 1888, when he and one Merry became the general agents of the company for certain counties of the state. They were constituted such agents under a written contract signed by them as well as the company, dated September 18, 1888.

"In this contract (we quote from the findings of the referee) it was stipulated that their full compensation for services and work and expenses in procuring applications and collecting and remitting the first year's premiums should be a commission on the first year's premium. It was also stipulated that they should collect and be entitled to 'collect the renewal premiums on all policies obtained by themselves and their agents under this contract during the term thereof within the limits of said agency, for which collections the said agents shall receive 7½ percent of such renewal premiums while they retain such agency, but not longer, as to any policy, than the person thereby insured remains resident within the territory of said agency.' There was also in the contract this stipulation: 'In case this contract is not renewed at the end of the term upon as favorable terms regarding commissions as the said company is at that time contracting for similar agents, the said company will pay said agents two years' renewal commissions, less 2 percent on the premiums collected on all policies obtained under this contract and then in force within the limits of this contract; said renewal commission to be paid quarterly as premiums are paid and reported to the company. It is further agreed that, in case of disability by sickness or death of either of said agents, the company will pay two years' renewal commissions, less 2 percent of the premiums collected on all the policies obtained under this contract and then in force within the limits of this contract, in the same manner as above mentioned.'

"There was finally this stipulation: 'It is further understood and agreed that, upon the discontinu-

ance of this contract in any way, all interest of said agents in this contract in commissions on premiums shall revert back to the company, except as above mentioned, and upon the deferred premiums on new business unless otherwise specially agreed.'"

Judgment for defendant company.

Life Legal Brevities

An assignment of an insurance policy to one who has no interest in the life of the insured held valid only to the extent of advances made.—151 S. W. 468.

The beneficiary under a policy which provides that the insured may change the beneficiary at any time has no vested interest in the sum which might become payable on the death of the insured.—*Cavagnaro v. Thompson*, 138 N. Y. S. 819.

ACCIDENT

Kentucky—*Ætna Life Ins. Co. et al v. Rustin*, 151 S. W. 366

Right to Open and Close

In an action on an insurance policy, where defendants denied the allegations of the petition, and also pleaded that insured either killed himself or procured another to kill him, a motion for leave to make the concluding argument was properly overruled, since under the pleadings, if no evidence had been given on either side, plaintiff would have been defeated.

Actions on Policies—Sufficiency of Evidence—Cause of Death

In an action on an accident insurance policy in which defendants pleaded that insured either killed himself or procured another to kill him, evidence that he was found on his porch shot in the abdomen, and said that a man had shot him, made a prima facie case for plaintiff.

Evidence.—The evidence in an action thereon tended to show that insured was shot on the porch of his residence by some unknown man, but showed nothing else tending to show an assault for robbery or burglary. Held, that the rule that if on one state of facts

plaintiff may recover, and on another not, and the evidence tends no more strongly to prove the first state of facts than the second, no recovery can be had, did not apply because the burden was on defendant to allege and prove the facts limiting its liability.

Lynch v. Travelers' Ins. Co., 200 F. Rep. 193

Federal Brokers—Agency for Insured—Breach of Warranty

An agent applied to decedent to take out insurance, which he agreed to do. The agent did not regularly represent defendant, but went to defendant's office, and presented an application for a policy containing false answers made by the agent to questions relating to decedent's physical condition; the application being signed by the agent as a "broker, solicitor, agent or sub-agent." The policy was made out and delivered to the agent, who collected the premiums from decedent and paid the same to defendant's agent, by whom he was paid commissions. The policy itself incorporated the statements made in the application, and provided that all of them should be regarded as warranties made by the insured on accepting the policy. It was delivered to the insured, and by him accepted and retained without objection. Held, that the agent was not the agent of the insurer in such sense as to estop the latter from asserting that the agent's misstatements constituted breaches of warranty in defense of the policy.

Bodily Deformity—Born Without Fingers

Where an application for an accident policy warranted that insured had no bodily deformity, and it was conceded that he was born without fingers on his right hand, there was a sufficient breach of warranty to avoid the policy.

INSURANCE OF ALL KINDS

Mutual Policyholder May Resort to the Courts

Though a by-law of a co-operative insurance association provides that the decision of the directors shall be final, insured may resort to the courts.—Downing v. Farmers' Mut. Fire Ins. Co., 138 N. W. 917.

Instructions to Broker or Agent Creates a Contract

An instruction by a property owner to an insurance agent to write out \$1,000 insurance on a certain building, and the agent's statement that he would "attend to that right away" created a contract to attempt to procure the insurance and to notify plaintiff of failure.—Russell v. O'Connor, 139 N. W. 148.

Epigramma Cunninghama

There are turns in the smoothest progress, with danger of skidding.

A rare feat is usually well done, and some "raw" schemes are well "cooked."

"Perseverance," wrote a general agent to a local, "is the backbone of the business, and this backbone must be trained and exercised and brought to the front!"

The most fruity limbs of some family trees are grafts.

Burning a candle at both ends is a poor way of making both ends meet.

An observing country insurance man took a sight-seeing tour of New York harbor, and noting the companion ladders of the vessels, expressed surprise that ships were so generally equipped with fire escapes.

An insurance man who does not heartily appreciate his vocation lacks an essential to success and loses the exhilarating helpfulness of pleasure in his work.

"They tell me that our plain widow neighbor has declined four offers of marriage within a month." "My! Didn't suppose her husband had so much life insurance as all that."

"Mexican" is suggested as a good name for motor tires that will stand the largest number of revolutions.

"A stable company, my son, is one with a horse sense management."

He said, some years ago, that he wouldn't take the agency of the best insurance company in the land, and while he has since had the agency of a dozen companies, he has, nevertheless, kept his word!

"Luke Hoger, our hustling young insurance agent," says a country paper, "took a sly departure for a western city the other night, and rumor has it that he will not return alone—not if requisition papers are granted."

Some insurance men are ambitious to do good, some to be good, some to make good, and some to be just good enough.

"Smithkins seems to be making an honest living, but, you know, he never was ambitious."

"I guess I won't keep this policy," said an insuree to the agent. "You see I got to worrying that my house might burn without insurance, till I couldn't half sleep; and since looking up this company, got to worrying whether I'd get anything if my house did burn, till I can't sleep at all."

A New York paper says that a Montreal motor fire engine was disgraced by being passed by horse-drawn apparatus in going to a fire. The motor engine "balked" for the reasonable reason that it was out of gasoline.

"In response to your several urgent requests for a check," writes a delinquent agent, "please find same enclosed. I make it for \$4 more than the amount due you, so, if you get it cashed, send me the \$4, as I need a pair of shoes. I couldn't get it cashed here."

It seems an unreasonable story, but it is related that a special agent, inspecting a manufacturing plant with the watchman as a guide, pointed out a portable fire extinguisher and asked the watchman if it was kept charged and in order. "I've been on dis job fur a couple of years," replied the watchman, "an aften wondered what the devil does cans was for."

45 New Members

The Fire Underwriters' Association of the Pacific has recently added 45 new members to its "roll."

PACIFIC MUTUAL LIFE INSURANCE COMPANY OF CALIFORNIA

**Gain of Nearly 3 Millions in Assets—
Large Gains in Income, Reserve,
Surplus and Outstanding Insurance
Company Now Pays Its Policyholders
\$10,000 Every Business Day**

The balance sheet of the Pacific Mutual Life Insurance Company as of December 31, 1912, is, as usual, the best which it has ever made. It excels all others in volume of assets, in premium income, in the amount of the outstanding insurance, and in the volume of legal reserve set aside to meet the obligations of the future.

The gains made during the year are impressively large. For example, nearly \$11,000,000 has been added to the life insurance in force, bringing the grand total up to \$133,309,014, whereby the company takes higher rank among the leaders. Eastern companies much older have less and some of them far less outstanding insurance.

The assets are now \$26,243,606, a large sum which gives the company a leading and influential place among the financial institutions of the West. The gain of \$2,879,719 in assets, and its safe and profitable investment, may be cited as a part of the evidence of the prosperous growth of the West, in population and in investment opportunities.

The cash income gained \$753,602, bringing the total up to \$8,199,096. This is nearly \$700,000 a month, a considerable part of which must be judiciously as well as safely invested. The financial management of the company has a first rate reputation among financiers, and it is justified by years of favorable results.

The accident department shares in the company's progress. The accident premiums increased some \$224,000.

The large increase in surplus brings the surplus as regards policyholders up to \$2,915,116, or more than 11 percent of the assets. This proportion is large.

The average rate of interest earned on invested funds was 6.05 percent. The actual rate of mortality was so favorable as to be only 62.2 percent of the expected, according to the tables of American mortality.

Glens Falls Fine Statement

The 63d annual statement of the "old and tried" Glens Falls Insurance Company has the familiar look of growth and prosperity. The items assets, surplus to policyholders and reinsurance reserve are larger than a year ago, and these three items are the test of the healthy condition and business of any insurance company. When they increase, normally, the company is growing and clearing a profit to be added to its surplus.

The Glens Falls now has \$5,719,168 assets, \$2,985,506 surplus to policyholders and \$2,326,240 unearned premium reserve. The income last year exceeded losses and expenses by \$409,124. The capital has been increased from \$200,000 to \$500,000.

Edward E. Potter is now, as for many years past, the Pacific Coast representative.

New Building

The Glens Falls expects to have its new home office building completed next month. It faces three ways and is 80-124-176-124 ft. "to the place of beginning" on Monument square. It is steel frame, fire proof, first story marble, with tapestry brick and marble pillars, pilasters and cornice above. The first story covers the entire block, enclosing 16,000 square feet. Above the first story there is a V-shaped court, giving light to the upper three stories.

Men who take "wooden money" have no place in insurance.

The Pacific Mutual Life Insurance Company

OF CALIFORNIA

GEORGE I. COCHRAN, PRESIDENT

GAIL B. JOHNSON, VICE PRESIDENT

Capital, Fully Paid Up, \$1,000,000

Balance Sheet as of December Thirty-First, Nineteen Hundred Twelve

Assets:

Loans on Real Estate	\$14,065,902.34
<small>Amount of Loan does not exceed the statutory percentage of appraised value.</small>	
Loans on Approved Collateral	998,776.50
Loans to Policyholders	4,353,237.59
<small>In no case does amount of Loan exceed the Reserve held by the Company.</small>	
Bonds and Stocks Owned	3,897,298.29
<small>Being Bonds, \$3,607,298.29, of Municipalities, Railroads and other Quasi-Public Corporations, and Stocks, \$290,000, all valued as of Dec. 31, 1912.</small>	
Real Estate Owned	1,122,000.10
<small>Los Angeles Income Property, Including Home Office Building.</small>	
Interest Accrued	309,502.23
Outstanding and Deferred Premiums—Life Department	533,135.52
Accident Department	349,861.55
<small>Net Amount, Reserve charged in Liabilities.</small>	
Cash on Hand	607,627.46
<small>Including Deposits drawing Interest.</small>	
Other Assets	5,664.34
Total Admitted Assets,	\$26,243,005.92

Liabilities:

Reserve on Policies	\$22,606,965.68
Claims in Process of Adjustment	223,269.20
<small>Being Claims reported, but of which proofs have not yet been received or are incomplete.</small>	
Premiums and Interest Paid in Advance	150,219.55
Reserved for Taxes Payable 1913	114,000.00
All Other Liabilities	233,435.51
<small>Including \$12,719.00 set aside for Medical Fees, and \$111,955.69 for Agents' Commissions in Accident Department.</small>	
Total Liabilities,	\$23,327,889.94
Capital Stock	1,000,000.00
Surplus Set Aside for Future Dividends to Policyholders	1,049,632.95
Surplus, Unassigned	865,483.03
Total	\$26,243,005.92

New Life Business Written, 1912 (Paid-for Basis)	\$ 22,378,787.00
Total Life Business in Force, 1912 (Paid-for Basis)	133,309,014.00
Total Cash Income, 1912	8,199,096.56
Premium Income Accident Dep't, 1912	1,739,392.37
Total Paid Policyholders in 1912	2,965,293.01
Mortality, Actual to Expected	62.28%

Increase in Life Business in Force (Paid-for Basis)	\$10,794,567.00
Increase in Assets	2,879,719.01
Increase in Cash Income	753,602.11
Increase in Reserve	2,306,573.14
Increase in Surplus, Assigned and Unassigned	453,790.46
Average Rate of Interest Earned on Invested Funds	6.05%



Surplus

(Assigned and Unassigned Exclusive of Capital)

\$1,915,115.98

HOME OFFICE:

LOS ANGELES, CALIFORNIA

FIRE INSURANCE

Automobiles May Have Increased the Fire Losses

The progress made in inventions carries new hazards for insurance writers. Electricity undoubtedly increases the fire hazard San Francisco burned down because the electric currents were not "shut off" promptly in the early morning of April 18, 1906. Modern inventions which employ gas, gasoline and electricity increase the fire hazards of home and store and factory in a direct way, and also in an indirect way.

Old industries and old machinery and equipment lose largely in value when new forces and improved machinery are employed. When electricity was first successfully used as transmitted power, all of the old street-car equipments became old junk. Barns, cars, horses, slot-ways, patents, royalties, etc., in a day became worth little or nothing. Street-car stock in some cities fell to zero in value, and rich families were made insolvent. All industries allied to the old order of things suffered.

The invention of the gas engine, which explodes the vapor of gasoline, has had far-reaching influence. It lights cities, propels boats and cars, and drives the automobile up to a speed of a hundred miles an hour on a dirt road.

Are there any connections between the autocar and the increase in fire losses? The garage has certainly added to the number of fires and the aggregate of fire losses. The car by itself catches on fire and is destroyed at the roadside. The careless handling, with the increased storage, of gasoline has caused many fires.

But the question we have been preparing to ask is this: Does the increasing and general use of the automobile have any material effect on the moral hazard? We are inclined to answer, Yes. The sales of automobiles are enormous. Many men mortgage their homes to make the first payments. That is a bad feature. The mortgaged home, it is believed, has a slightly higher fire hazard; but the remoter effects of the ownership of the automobile are more

serious, for by the general use of the swift machine, business is diverted from the smaller towns to the larger towns. The small country merchant loses much of his most profitable trade, the trade of rural people with substantial incomes, who find it a pastime to motor twenty or thirty or more miles to "the city," and do their "shopping" there, and motor back home after a visit to the moving picture show. Town and hamlet seem dull indeed to the owner of an automobile, and the heretofore convenient village store has lost to him or her its convenience and usefulness. Its variety of goods is limited, its prices are questioned, it offers no market for the farmer's or rancher's products. His old friend and creditor, the country merchant, is neglected or wholly forgotten.

Fires in the old country towns have increased in the Pacific West, and the country mercantile and dwelling hazards seem now as bad as they have long been in the East.

If the local agents of California can't show positive strength at Sacramento—enough to kill or make harmless hostile insurance bills—they should disband. I am skeptical. The organized locals had no influence with their national organization in the matter of the rank and rotten competition of the Assassination Underwriters. Their "thunder" will not terrify at Sacramento, if it is merely the explosion of the "hot air" artists.

* * *

Some of our readers will recall with pleasure the Cosmos club and be sorry to hear that, like the Flat Surplus Ins. Co., it has been absorbed by another San Francisco club. Hopeful J. P. T., however, has the door-plate in his Redwood Road archives.

* * *

Librarian Moore of the Fire Underwriters Association of the Pacific was a young insurance broker in San Francisco fifty years ago.

* * *

Is San Francisco to have "free desks for brokers" again? and free services of stenogs. and messengers?

PRESIDENT MAYER'S ANNUAL ADDRESS

Delivered at the 37th Annual Meeting of the Fire Underwriters' Association of the Pacific.

We extract from the address delivered by President F. J. Alex. Mayer the following paragraphs, which are of general interest:

MEMBERSHIP.

The Secretary's report shows in figures the change and present stand in membership. The record shows a slight increase, but the total number of members cannot be satisfactory, as long as the membership does not include in its list every person eligible and desirable. Under the present wording of the Constitution the eligibility is limited to persons connected with a fire insurance company as officers, general agent, special agent or adjuster. There will, however, be an amendment submitted extending the membership to officers, department heads, inspectors and surveyors of fire insurance companies, fire underwriters' boards, rating, examining and inspection bureaus, and to attorneys who are retained or habitually acting as counselors for such institutions.

I trust the amendment extending the eligibility to membership will be carried without much opposition.

I hope the incoming President will shortly, after accepting the office, appoint a committee of three on membership with the purpose in view of soliciting by correspondence or personal persuasion all those, who under the rules of the Association, are eligible and should join the Association. In fact, there should be no person eligible to membership and located west of the Rocky Mountains, who is not a member. If the benefits and usefulness of the Association are made known to them they will join. "In Union is Strength."

LIBRARY.

A library is of value only, when its books are read. For this purpose it must be kept up to date with all the important books; it must be open at convenient hours, and the student must have the privilege of withdrawing the books from the library room for a limited time.

At present the library of the Association is run on the same basis as some charity societies, which spend all their income for the salary of the secretary to investigate distress, but with no funds for needed relief. No provision for funds was made last year to buy the most important text books which appeared during the last twelve months, and only recently through the favor of a private donator were some of the new textbooks added to the shelves of the library. This lack of funds must be changed for the future. The library must have an annual contribution of about \$250, for the buying of new books and magazines and for the binding of periodicals. The disbursements for the library should be made by the advice of the Librarian with the consent of a library committee of three. The incoming President should be instructed to appoint such a committee. It should have charge of the finances and management of the library. If the Association is short of funds, then the library committee should try to raise funds by contribution, by encouraging members to raise money through

social functions such as smokers, card parties, theatrical performances, a glee club and other entertainments.

The library is open from 12 to 2 at noon time. This is without doubt the most convenient time for short hours, but arrangements should be perfected so it can be kept open during business hours from 9 to 5.

TEXT BOOKS.

The fire insurance student of the past had a rather difficult task in studying the business from books. The only way to get a theoretical education was by looking up the annual reports of insurance associations, the insurance periodicals and stray books and articles here and there. Most of the training was gained by the hard knocks of experience and at immense cost to the companies.

Today the student of fire insurance has better, more systematized and complete text books at his disposal. The year 1912 was especially prolific in good insurance literature.

OBJECT.

This Association has ever been for many years a leader and example to similar institutions.

Yet, times and conditions have changed. The technical part of fire insurance has grown to such an extent that fire insurance has become a profession, and is no longer a mere business. It will be only a short time when some branches of fire insurance will count among the sciences, like the actuarial part of life insurance. Consequently there is a great educational task before us. In memory of the founders and pioneers of this Association, in furtherance of the Pacific Coast spirit, and in showing our own pride, we cannot shirk this duty for advancement of our vocation.

The incoming President and the Executive Committee will no doubt tackle this task with enthusiasm; they will make it a labor of love to show good results by the end of their administration. They will see to it that this Association takes up Institute Work in this city with branches in Los Angeles, Portland, Seattle and Spokane.

UNDERWRITERS' CONGRESS.

In commemoration of the opening of the Panama Canal, the greatest waterway that was ever built by human hands and human intelligence, the city of San Francisco will hold in 1915, an exhibition worthy of the event, and for the purpose of showing to the world the resources, treasures and developments of the Pacific Coast. It is befitting that every industry and every enterprise should try to do its utmost to make the Exposition a grand success. It would surely be a poor testimony to the fire insurance fraternity on this coast if it would not be represented at the Fair in a manner that would do justice to the importance of the commercial and financial standing to which the fire insurance business has grown on this coast and especially in the city of San Francisco. The Insurance Institute of America has promised to hold its annual convention in 1915 in San Francisco. This is a beginning, but it is not sufficient for the occasion. There should be a Fire Insurance Congress or a Fire Insurance Day during the summer of 1915, at which time there should be a gathering of the fire insurance men from all over the world. It is within the power of this

Association to make San Francisco the mecca for all insurance pilgrims from the four corners of the globe during the Fair. It would be advisable to have at the same time an exposition of fire-proof and slow burning construction, models and materials; of fire prevention and fire protection apparatus, implements and machinery. Such an exhibit can be gotten together by co-operating with manufacturers, fire departments and inspection and surveying bureaus. It will be a grand enterprise but one that will require a good deal of preparation and work. The money necessary for the undertaking would have to be through voluntary contributions from the companies represented on this coast. No time must be lost in getting a plan laid out for a program and in starting the work. The incoming President should at once appoint a committee of five to take the matter in hand and start the work without delay.

STATISTICS.

The rates compiled by the actuaries of life insurance companies from the mortality tables are based on strictly correct mathematical principles; in other words, they are scientific. The measure which establishes the rate in life insurance is the number of losses in a group to the number of risks in the same class. No actuary would dream of establishing the rate for a certain age by comparing the dollars paid for losses with the dollars received in premiums. Such calculations would never lead to the correct average, unless the amount at risk and the rate of premium were for all policies the same.

Nevertheless fire insurance companies try to do the impossible. And that fire insurance men have succeeded so well in the past in arriving at fairly adequate rates, is not due to the calculations derived from their statistics, but simply to their innate good common sense, strengthened by their technical knowledge of the business.

Now, if the life insurance actuary can extract scientific computations from his statistics, why not accept the same method for fire insurance calculations? It is true, in life insurance every loss is a total loss, while fire insurance has to deal with many partial losses. But can these fractional losses not be added together? Does not one total loss, one-half loss, one-quarter loss, one-fifteenth per cent loss and one ten per cent loss foot up to be in the aggregate two total losses? There can be no doubt, that if statistics were collected on such principles by fire insurance companies from the state fire marshals, the fire departments of the cities and towns, from the records of companies, there would be gathered in a short time a large enough number for a working basis, which would give the fire insurance companies experience tables in the same way as are the mortality tables for the life insurance companies.

The work of compiling statistics would finally go into the hands of men trained for this purpose. The fire insurance actuary would soon be looked upon with as much awe and veneration as the life insurance expert.

This suggestion of making fire insurance statistics should be taken up by some actuary or mathematician versed with the subject and there is no fear that the system will be found correct in principle, expedient in practice and the only true and scientific solution.

Fire insurance statistics would then be on the firm ground of mathematical calculations, drawing laws of probabilities from the results of experience.

MAXIMUM LINES.

Some of the states limit the amount of insurance to be carried by a company on a single risk, or on a single block in the congested district of a city or town, to one-tenth of its capital stock. Such limitation shows plainly how little lawmakers know about the business of underwriting. The capital stock of a company is the last item to be considered by the underwriters relative to the amount of maximum lines to be written. The first consideration is and must be susceptibility of fire of the property insured; in other words, the largest amount of a possible and probable loss. The next point to be considered is the amount of insurance carried in proportion to the value of the property. Then comes the hazard of occupation, the danger from exposure, and the number of risks obtainable from the same class. After these physical matters are considered, the underwriter has to take cognizance of the financial affairs of the company. In this category must first be considered the premium income and then the net surplus.

For illustration: A company with a capital stock of \$500,000 but with a premium income of \$4,000,000 per annum which suffers a \$100,000 loss, has only an increase in loss ratio of $2\frac{1}{2}$ per cent, while such a loss would probably impair the capital stock of a new company, although it possesses a million dollar capital.

This example shows that the capital stock has very little to do with the solvency and stability of a large fire insurance company.

NEW CONDITIONS.

It is scarcely a quarter of a century since protected steel frame construction has been introduced and the first sky-scraper was erected. It is less than a decade since re-inforced concrete buildings have been constructed. After many experiments and failures the building engineers have learned to make this class of buildings almost absolutely proof against fire and heat; yet, the principle of fire proofing is understood only by a few high grade architects and the danger of imperfect and defective work by greedy contractors and slovenly workmen is so great, that the supervision of the work by specially trained men cannot be dispensed with. The continued inspection of the work, while the construction is under way, is very important, because the fireproof covering of the structural parts, which will be damaged by deterioration, fire or heat, if not properly installed, covers up the defects entirely, which cannot be discovered afterwards until it is too late and the damage is almost irreparable or the parts are destroyed. For this reason it is to the utmost interest of the property owner and the public that the construction of such buildings progresses only under the strictest investigation and inspection.

The time will come when the property owners will look to the fire insurance companies for men trained for such purpose as being next to themselves financially the most interested parties in having the work done to perfection. Then, whether the property owners will pay cash for this kind of work or whether they prefer to have the initial cost of inspection

spread over a term of years and thereby make companies reimburse themselves by writing contracts of ten or more years for the insurance of the property against fire, depends upon further developments. However, the long term contracts will probably become the prevailing method, especially if they include a continued inspection of the buildings as to their structural safety as well as the continued preparedness of the fire prevention and extinguishing installations. Fire insurance will then include not only indemnity against loss by fire, but it will also guarantee against deterioration of any of the structural and protective appliances. Such continued inspections are already undertaken and the cost included in the premiums by the factory mutual fire insurance companies and also by the companies insuring against boiler explosion. It is the same with the Chinese, who pay a doctor while they are well, and refuse to pay him when they are sick.

Life insurance would be impossible in its present day high development and security, if recurrences of the plague, the black death, the scourge of the middle ages, were possible. And, if city builders had kept up in their heedless way of construction and fire protection, then fire insurance would be an impossibility today in the congested districts of the rapidly growing metropolitan cities with their increasing hazards and aggregation of immense values. Fortunately, fire insurance companies and property owners have learned that the enforcement of modern building codes, the observance of municipal and state restrictions for the handling of dangerous and easily inflammable material, the regulation of the installation of electrical appliances, and other modern devices, the readiness and efficiency of fire prevention and extinguishing apparatus, will stem a conflagration in the same proportion as the enforcement of modern hygienic and sanitary rules benefit life insurance.

Nay, the companies and the public now know, that only by the enforcement of these preventive remedies can these institutions continue to exist and calculate on a fair average of returns without being constantly in fear, by total destruction.

INSURANCE EDUCATION AND INSTITUTE WORK

From a Paper by Insurance Librarian D. N. Handy, of Boston, Read at the 57th Annual Meeting of the Fire Underwriters' Association of the Pacific

In England the Federation of British Institutes had offered instruction in fire insurance for many years. In America the Insurance Institute of Toronto affiliated with the British Institute offered similar courses. Many schools and colleges in the United States, especially the recently established schools of business administration, were offering elective courses. Some of the technical schools were concerning themselves with fire protection engineering. Armour Institute in Chicago, with the splendid resources of the underwriters' laboratories at its disposal, was already doing good work along these lines. The late Edward Atkinson, under whose inspiration the factory mutual system of New England had been developed to marvelous perfection, was instrumental in interesting for a time The Massachusetts Institute of Technology in fire protection engineering

courses. All these activities showed a growing appreciation of fire insurance and its related subjects as worthy of the attention of students.

On the practical side, too, fire insurance education had not by any means been neglected. Inspection and survey boards and rating organizations had been obliged to devise some means for training their inspectors. In some cases this training was most desultory. In others it was systematic and carefully planned.

The New York Fire Insurance Exchange, under the leadership of Henry E. Hess, manager, undertook the systematic training for inspectors of twelve men drawn for the most part from technical schools or colleges. They were given several months of careful instruction. At the end of this period they were hired by the Exchange under contract to remain with the Exchange eighteen months, and at the end of that time, in case they had opportunities for bettering themselves, to give the Exchange the first choice of their services. This work was under the immediate supervision and direction of E. R. Hardy, now chairman of the Insurance Institute's Committee on Examinations. The work was not continued. An interesting description of it is found in a special report by the manager of the Exchange dated December 12, 1904.

The early fire insurance company manual was in reality a text book of insurance for the use of agents and field men. A noteworthy example of this kind of work is seen in the one issued by the *Ætna* in 1867. This is a book of several hundred pages developing the theory and practice of stock underwriting in a logical manner. Theoretically, at least every agent into whose hands it fell became a student of fire insurance and fire protection engineering; and in so far as he availed himself of the opportunity offered of asking questions of the home office he became part of a crude system of insurance instruction by correspondence.

INSURANCE EXAMINATIONS.

I have tried to point out that instruction in fire insurance was not a new thing evolved by the Insurance Institute three years ago; that it had been recognized as possible and advocated as desirable for many years, and that in some form or another it had been repeatedly attempted by progressive fire underwriters.

But in the United States until the Insurance Institute began its work there had been no attempt at a comprehensive, logically developed course of study by the pursuit of which the student might hope to get a fairly complete and practical knowledge of fire insurance and related subjects.

This achievement remained for the Insurance Institute through its committee on insurance examinations.

When the committee began its work it had before it the prescribed courses of study of the Federation of British Institutes, the proposed course of the National Board of Fire Underwriters and the courses of those colleges and universities which were offering such courses in graduate or business departments.

* * *

At the outset it seems necessary to say that few people suppose that a successful insurance man can be made from the study of books alone. On the other hand there should be even fewer to suppose that the knowledge

to be got from books may not be of immense practical value to the man about to enter upon a fire insurance career.

The school does not make the doctor, the lawyer or the engineer! The professional man everywhere depends for success upon field practice, superimposed upon a substantial basis of knowledge gained from books.

Fire insurance is in this respect in no essential different from engineering, the law or medicine. Its practice is and must be established on foundations of fact and theory, all of which are susceptible of orderly grouping and presentation.

The old method of acquiring skill in fire insurance was to get into the work and pick up scraps of information as one went along. One learned what he could from the experience of others; but was left to the slow and costly expedient of learning much from his own.

The Insurance Institute purposes to place before the young man, under the supervision of experts, what heretofore he has had to learn from blundering experience, and thus enable him to make experience more fruitful of wisdom and less costly.

* * *

The view which company managers take of the necessity for such instruction is well-illustrated in the case of the Springfield Fire and Marine Insurance Company, in Springfield, Massachusetts. The city of Springfield with eighty thousand inhabitants is not large enough to support an insurance society of its own. It is situated too far distant from both Hartford, Connecticut, and Boston, where insurance associations already exist, for employees to attend the evening classes conducted in those cities. Consequently the management of The Springfield Fire and Marine Insurance Company has planned a series of educational lectures for its own employees which will be held during the present winter.

Education is the uniform unfolding of all one's faculties. Education develops the body, informs the mind, cultivates the will. Education begins in childhood, is advanced a few steps in school and college, but is continued through life. One's vocation is constantly remaking him whether he knows it or not. How important it is, therefore, not only that one bring to his business all the faculties of his personality, but that the business possess for him attractions and tasks worthy of a cultivated human being.

Fire insurance needs no apology. No business is more necessary; more fundamental; more essentially fraternal. None brings into play nobler principles of law or ethics. None calls for wider information, or greater versatility. As a subject of study for the one who is to apply its principles, none lends itself more readily to that systematized and orderly presentation which must characterize all instruction in the class room or from text books.

Jasper Station, Cal., June 10th, 1912.

Manager, Congo Fire Insurance Co., San Francisco.

The country is gonne of dry for 3 day everytink gonne to hel we have 107-109 at the height in the grain is all rady dry up. if you wante come any time you wante wire soon.

Yours truly, P. Bohlheisen, Agent.

—California Knapsack.

SEVERAL and SUNDRY

New Publications

Best's Key Ratings, by Alfred M. Best Co.' for 1912. The 1913 book is announced for May. The 3d. division gives San Francisco record as good, fair, poor, bad, no loss. In the cases of the Pacific and the Stuyvesant of New York., the San Francisco record is given as "bad." The Greenwich did no business here then. As to the Ins. Co. of State of Penn., the record is given only by correspondence. Other companies with a bad San Francisco record as to conflagration loss payments are the Nassau, North River, etc.

Western States Life Surplus Declines Again

The surplus of this new company continues on the downward line but the stockholders are willing of course. It is now \$216,892, against \$295,667 a year ago. This company does no industrial business and therefore has nothing substantial to show for this loss of surplus. The assets gained \$75,967. The net liabilities are \$244,900, against \$90,157 a year ago. Altogether, \$6,060,750 new business was written.

Royal Agents Meet

The annual meeting of the field men of the Pacific department of the Royal and the Queen were held in February this year, and not in January as heretofore. The later date finds the year's figures well in hand, for intelligent and useful comparisons with those of the preceding year. The daily round-the-big-table discussions were closed with a very successful banquet, at which some 125 representatives and guests were present. Manager Watt presided. The program for the evening was specially enjoyable. "San Francisco 1915" was there.

Insurance Defined by Federal Circuit Court

"Insurance" is a contract by which one party, in consideration of a price paid adequate to the risk, becomes security to the other that he may not suffer loss, prejudice, or damage by the happening of the perils specified to certain things which may be exposed to them. The ingredients of the contract are the consideration, the risk and the

indemnity. The "consideration" is the premium for the insurer's undertaking; the "risk," the perils or contingencies against which the assured is protected; and the "indemnity," the stipulated desideratum to be paid to the assured in case he has suffered loss or damage through the perils or contingencies specified. A physicians' defense company is an insurance company. 199 F. 576.

Poisonous Gas Decision

The Aetna Life insured Fred O. Potter against accidental injuries and death. The insured met his death in Vancouver, B. C., May 4, 1911, by the accidental inhalation of the vapors of an incinerator.

The Aetna Life refused to pay the widow the amount of the insurance. The widow then sued the company.

The evidence was to the effect that the insured was the general overseer of the Vancouver city garbage incinerator. During a brief period of very imperfect combustion he inhaled poisonous gas, from the effects of which he died.

The Washington supreme court held that the jury's verdict for the plaintiff widow was supported in a substantial way by the verdict. 128 Pacific Reporter 647, Jan. 20.

Merger Does Not Affect Existing Suits

Insurance corporations merged or consolidated under New York Insurance Law, § 129, do not cease to exist absolutely, but retain a sufficient existence to maintain or defend existing suits wherever pending.—Riddell v. Rochester German Ins. Co. of New York, 85 A. 273.

Action against a New York insurance corporation held not abated by the consolidation of such corporation with another, under New York Insurance Law.—Id.

Travel Talk.—Manager Rolla V. Watt of the Royal and Queen visited Yucatan and the ruins of the old Mayan civilization, some time ago, going from Florida for a winter holiday. He recently gave a very interesting talk on his travels, and illustrated it with 132 lantern slides. The pictures were excellent and the speaker's descriptive talk was very interesting. Those who intended, but failed to attend the "lecture" missed a "treat"

REAL ESTATE

Rights of Way

The term "right of way" has a twofold meaning. It is used to describe a right belonging to a person—a mere intangible right to cross—a right of crossing over a tract of land; and it is also used to denote the strip of ground which a railroad company appropriates for the construction of its road-bed. The term is used here in the sense of a right or vested privilege of passage over the land of another, of an incorporeal hereditament, of which, it is said, it is the most conspicuous example. (31 F. 126.) A conveyance of land and its appurtenances carries an appurtenant right of way (153 Cal. 451) reasonably necessary to the enjoyment of the land. 46 Ohio St. 528.

A way which is appurtenant is an inheritable estate passing to the heirs and assigns of the grantees of the land to which it is attached. (1226 Ill. 590.) The rights of the owner of a right of way are paramount to those of the owner of the servient soil. (85 Mich. 316.) If the way has defined limits, the owner of it has not only the right of free passage over the traveled part, but also of unobstructed passage over every part of it within such limits. (Ibid.) And he has not only a right to this free passage at all times, but also to all rights that are incidental or necessary to the enjoyment of such right of passage. (Ibid.) Altho generally a right of way rests in a grant, yet it may be acquired by prescription thro an adverse, exclusive, and uninterrupted use under a claim of right for the requisite length of time. (78 Conn. 130.)

Altho an oral grant is void under the statute of frauds, yet if the easement is enjoyed under it until the statute of limitations has fully run, an unassailable right to it will ripen by prescription (45 Conn.) 409. Once a right of way has been selected and located it cannot be materially changed by either party without the other's consent, (159 Ind. 562) but a temporary change in the course of the way made for the convenience of either of the landowners is not an abandonment of the original route. (29 N. Y. 540.) The owner of the servient soil is under no obligation to repair a way. If

it needs repairs, it is the duty of the owner of the right of way to make them. (85 Mich. 316.) He is bound to keep up the right of way.

Owner of right of way must keep up, maintain, and protect the way for use. (14 Idaho 545.) But he has no right to enclose it by fences, except when it lies along one side only of the servient land and fences are necessary to prevent passing live stock from trespassing on the adjoining land. (85 Mich. 316.) The owner of the land subject to a right of way may rightfully use the way in any manner not inconsistent with the rights of the owner of the easement. (Ibid.) A naked grant of the right of way for travel will not preclude the grantor from putting up gates and bars at the ends of the way. (69 Wis. 613.) The gates or bars must not, of course, interfere to an unreasonable extent with the proper use of the way. (77 Wis. 593.)

The mere putting up of gates or bars across the entrance to a private way when they can be opened and passed thru by anybody, at will, and keeping them up for the whole statutory limitation period, will not extinguish the easement. (46 Me. 423;) but if the way is enclosed permanently in a field, and the ground over which it ran is plowed up and cultivated for the limitation period, the easement will be extinguished. 6 Rich. L. 298. The owner of a way created by grant need not use it all the time nor even frequently in order to retain it—226 Ill. 320—no presumption that the right has been abandoned arises from the fact that the way is not used continuously (82 Penn. St. 203.)

Mere neglect to use the way for any length of time short of the statute of limitations will not work an extinguishment of the easement (55 Kan. 90); the disuse must be accompanied by an intention to abandon the way. (100 Mass. 491.) A way not used for 20 years is presumed to have been abandoned. (37 Md. 108.) An open and visible private way across land at the time it is conveyed is notice to the new comer of the existence of a burdening easement (71 Cal. 62); but if the way is obliterated thru disuse so that the purchaser has no notice

of it, the easement is said to be extinguished. 9 Ind. App. 628.

Phoenix Assurance Company at Home

One of the oldest and most honored insurance offices extant, the Phoenix, whose bright name-plate of the fabled bird from which it derived its designation has been for so many years such a familiar object throughout the country, was from its origin in 1782 until recently concerned in the covering of fire risks only. It is now, however, also identified with the business of life, accident and marine insurance. In the course of this development, it acquired an old established accident office and then took over the Pelican Life, an old ally, and the Law Life, and still more recently it purchased the Marine Insurance Co., thus becoming thoroughly equipped to transact business in all the important departments of insurance activities. As a consequence, occupying, as it always has done, a foremost place in the insurance world in its widest sense, its policies are of an up-to-date popular character. One of the most attractive and comprehensive of these is the "household" policy, which, as its title suggests, combines insurance against fire, burglary, and liability to domestic servants.—Finance Chronicle, London.

The Prudential in 1912

President Forrest F. Dryden of the Prudential has stated that as far as that company is concerned, the year has been one of signal success, the company showing larger increases in both industrial and ordinary departments and greater individual results per agent than in 1911. The efforts of the companies today are devoted to a continual reduction of the expense rate, and in this respect the Prudential reports the lowest industrial expense rate and the lowest agency expense cost per \$1,000 of paid-for business than ever before shown in the history of the company.

The broad general principle of progressive conservation which characterized the company under the leadership of the late Senator John F. Dryden is being maintained by

the present management. Among new features have been the distribution of information on methods of prevention of diseases and the preservation of health, such subjects as the care of children, the treatment and prevention of consumption, the treatment of conditions affecting the eye, ear, nose and throat and many other subjects of general interest having been dealt with in a simple and effective way for the general good.

During 1912 the Prudential put into practice the pension plan or "service retirement system" for the benefit of the industrial field staff and the home office employees, excluding officers. This plan provides for the retirement of employees who have attained the age of 65, after 25 years' continuous service with the Prudential. It is now working out the details of a service disability allowance system for the field force, although the company has always made provision for the care of agents who had served faithfully and honorably for many years. The new system will be much more comprehensive.

Adjustment of Fire Losses

The broad basis of fire insurance is indemnity. I think the clearest definition of this principle of indemnity was given by Brett, L. J. "A fire policy is a contract of indemnity, and of indemnity only, and the contract means that the insured shall be fully indemnified. That is the fundamental principle of insurance, and if ever a proposition is brought forward which is at variance with it, that is to say, which either will prevent the insured from obtaining a full indemnity, or which will give to the insured more than a full indemnity that proposition must certainly be wrong."

It is in the application of this principle of indemnity that various difficulties must confront the assessor. He has to contend against the ignorance of the man in the street, who believes that a fire policy is a promise to pay the face value of the policy when a fire occurs. He has always to cope with the natural desire of the insured to obtain as much as possible out of the fire. He

has to deal with cases where it is most difficult to fix a money value that will represent a perfect indemnity. No respectable office will thank its assessor for sealing a claim, and yet very few insured believe that the assessor will not be thanked if he does unduly scale a claim. The popular idea is that the assessor is merely appointed to beat down a claim. It speaks volumes for the fair dealing of most fire insurance companies and for the tact and patience of these assessors that over 90 percent of fire losses are promptly settled, and settled, in spite of the clouds of ignorance, to the satisfaction of the insured.

Buildings

I will deal with the different kinds of losses, and will take buildings first. In buildings the loss is generally arrived at by obtaining an exact specification of the part of the buildings damaged. In my opinion this is the most important step, for once the extent of the damage has been mutually agreed upon the principal stumbling-block to a settlement has been removed. It is then only necessary to obtain tenders from satisfactory contractors, and the loss can be arrived at. Complications will invariably arise when separate estimates of damage and cost of reinstating are obtained by the insured and the assessor respectively. In brick buildings the question of depreciation or dilapidation does not bulk so largely as it does in wood and iron buildings. With regard to the former, the opinions of architects and builders is that there is little or no depreciation of the foundations and walls, and that with regard to the roof and woodwork generally dilapidation does not commence for a good many years. Painting and papering, of course, depreciate every year. In wood and iron buildings the depreciation is more rapid on the coast than it is inland. The sea air corrodes the galvanized iron, and the life of a building near the sea coast is only half what it is up-country. In marine insurance there are customary deductions in respect of "new for old" from cost of repairs. These range from one-third on repairs to ships of three years and over, to one-sixth on chain cables. In fire insurance

there is, of course, no fixed scale, and it is almost impossible to obtain reliable data from architects and builders. I had occasion once to ask six builders to independently fix the rate of depreciation on a building. I received six different estimates from nil to 40 percent. In practice it is a question of agreement between the insured and the assessor. The cost of re-instating a building does not apply in all cases, however. Take the case of a building that I know of, which cost £35,000 to build. It proved to be a bad investment, and the owning company went into liquidation. The building and ground were sold, and realized £16,000, of which £4,000 was for the value of the ground. Had the building been burnt to the ground just before it was sold, the cost of re-instatement would have been at least £25,000, and had the company paid this amount there would have been a clear gain of £9,000 above what the concern realized at auction. The question as to what would be a fair indemnity is a difficult one, but I think the test of it would be whether the insured would agree to the building being reinstated, or as an alternative accept a cash settlement less than cost of re-building. I have had some smaller cases, and in every instance the insured has preferred to take a cash settlement which was less than the builders' estimates.

In many building losses the settlement would have been easier had the policy been subject to the first condition of average, especially in brick buildings, where there is generally more salvage. The latter would have to be valued at the same rate as the reconstruction work, and the company would benefit by the salvage in the proportion that the insured amount bears to the value of the whole building.—A. M. E. Rolland, in Insurance of Cape Town.

H. McD. Spencer is one of the editors of the new Pacific Coast Golf and Outdoor Sports, a perfectly handsome and athletic San Francisco monthly. All insurance men, present and past, are golfers. By the way, San Francisco now has an indoor golf course, in the rooms of the late lamented Army and Navy club.

ONE THING AND ANOTHER

F. J. Alex. Mayer, past president of the F. U. A. P., came to San Francisco in 1882, unable to speak a word of English, though able to read and write the tongueage. The city was in the financial dumps, and finding no opening for an enterprising young man, Mayer went to Portland, one of the Coast cities of destiny, and entered the office of the Oregon F. & M. Ins. Co. Then he began his successful struggle with English, which he now speaks like a native. Mr. Mayer also speaks German, French and Spanish. He is a thorough student of insurance history and insurance literature generally. And all his hard work has not yet made a gray hair.

* * *

He had a very puzzled look. I inquired. He answered. "Six months ago I read a funny skit in an American paper. This morning I read it again, in the Eczeminer, credited to a recent issue of the London Chronicle. I'm wondering hard how the American paper thought transferred that skit from a future issue of an English paper." I said it was undoubtedly a problem for the Psychological Research Society, to which it is now up.

* * *

The "celebrated Parisian prophetess" Mme. de Thebes predicts that 1913 will be a year of great conflagrations. Underwriters will of course take notice and increase rates. Paris is to have a great theater fire. Another weird prophet predicts the burning of Chicago's stock yards. A meteor is to damage Winnipeg. There is to be a great earthquake. Both the meteor and the quiver are supposed to jar the insurance surplus. Worst of all, there is to be a scarcity of rain in San Francisco in the summer and a school or theater "may burn." The year is to be a dry one in Maine. The whole Pacific Coast is to have dryness of the air and great heat, presaging fires and failures of crops.

The Boston is said to be cutting rates "to beat the band" in British Columbia.

* * *

Manager Tiedemann has been "watched" and if you don't find him out he will show it to you.

* * *

Bills for state life insurance have been introduced in the legislatures of Washington and California.

EVERYONE WHO
HAS MONEY IN
BANK
OR IN A LIFE INSURANCE
POLICY IS A
CAPITALIST

The Alaska Packers Assn. of San Francisco has an insurance fund of \$1,537,356, well invested. The earnings were \$390,843 in 1912. The expenses and losses were only \$17,793. The association carries its own insurance on all its floating property, canneries and contents, wharves and machinery; but up and down cargoes are insured at full value and salmon and merchandise stored in warehouses in San Francisco at half value. The association owns 86 vessels and operates 15 canneries.

* * *

Geo. A. Kimmel, the New York Life's alleged real simon-pure original missing banker, is now under arrest for passing forged checks. This good man who "buried" his father who is still living is an ex-convict who has changed the color of his eyes. The New York Life poses him as the missing banker and refuses to pay the \$20,000 on his life. That's a good deal of money, but the juries have decided that the company owes it to the beneficiary.

* * *

Will nothing ever satisfy those Texas locals? They wanted rating by the state. They got it, and less income, and have been kicking ever since. Recently, they met in Dallas and resolved that as the loss ratio in Texas is about the highest in the United States, and has averaged 60 percent for thirty years, they, the aforesaid local agents, "believe they are justly entitled to a greater compensation." Can you beat it? What's the use?

* * *

The legality of inter-insurance is being tested in the courts of Kansas.

A RETROSPECT

From a Paper by J. P. Moore, Librarian Fire Underwriters' Association, Read at the 37th Annual Meeting of the Fire Underwriters' Association of the Pacific

Conflagrations in San Francisco are not new; though the last, in 1906, was the greatest.

The first was on December 24, 1849, with an estimated loss of \$1,000,000 and no insurance.

The next was on May 4, 1850, with an estimated loss of \$3,000,000, not insured.

The next on June 4, 1850, with an estimated loss of \$3,000,000 and no insurance.

The next on May 4, 1851, with an estimated loss of \$7,000,000 and no insurance.

The next occurred on June 22 of the same year, 1851, with a loss of \$2,000,000 and no insurance. Making a total of \$16,000,000 in the two years.

By this time San Francisco people began to wake up to the necessity of insurance, and their Eastern patrons called for protection.

In 1852 there arrived in San Francisco one Joshua P. Haven (who, by the way, was not related to our honorary member, Mr. Chas. D. Haven). Like the Joshua of old days as given in the scripture, he was a leader, and by him was established the first insurance agency on this coast. His company was called "The Liverpool and London." You will note that it had not yet reached out to cover the globe as it has since done.

The next year, 1853, there came "The Monarch," "The Home," "The Park," "The Washington," "The Niagara" and "The Imperial."

In 1854 we had all the above named.

In 1855 in addition there came "The Northern Assurance," and "The Continental."

In 1856 "The Phoenix of Hartford" and the "The Unity."

January 6, 1857, these companies met and formed what they called "The Board of Fire Insurance." This was the first board formed on this coast.

A second board, as we shall see, was formed January 11, 1861, and was called "The San Francisco Board of Fire Underwriters."

A third, "The Board of Fire Underwriters of San Francisco," was formed on March 18, 1870. The name was subsequently changed to "The Fire Underwriters of the Pacific."

A fourth, "California Underwriters," was organized July 14, 1881.

A fifth, "The Pacific Insurance Union," was organized May, 1884.

The sixth, the present Board, the successor of "The Pacific Insurance Union," was organized in February, 1895.

Joshua P. Haven was the President of the first board, E. R. Falkner being the Secretary. The total premiums on city business during that year (1857) amounted to \$145,644.

Thus far no local company had been formed.

On July 12, 1858, the first local fire insurance company on this coast was organized. It was called "The German Mutual Fire Insurance Company." Its President was J. W. G. Schulte; Vice-President, Frederick Meyer; Secretary, John Kohlmoos; Treasurer, Nicholas Van Bergen.

They did not join or bother themselves about the board that had been formed the year before. There were no daily reports or chasing to the board for a rating schedule for them. There were no local agents to bother them, and no specials in the field to worry them. They were insurance men and managers who took life easy.

They had an office for business and it opened at 2 p. m. and closed promptly at 3 p. m. each business day.

If you wished for insurance that was their hour and their only hour for business.

After 3 p. m. they could take a "stein" and smoke their pipe in peace.

You hard-worked managers of the present, were not those "good old days"?

By the terms of their articles of incorporation their business was confined exclusively to German people. It was no use for John Chinaman or any other nationality to call on them for insurance.

There were no moral hazards in insuring Germans. They did their own inspecting, and fixed the rate to suit themselves. Those sturdy old Germans stuck to their company and they paid their losses in full for ten long years, until certain politicians, who thought it time to have an institution in which to place a friend, organized on March 26, 1868, what they called "The Insurance Commission," and they passed a law requiring a paid-up capital of \$100,000.

So, when the Insurance Commissioner asked them for this amount to be paid up, on the 24th of June, 1868, they ceased to do business.

Thus ended the first local insurance company of California. Of the men who formed it all have passed away.

In the ten years that had passed since the organization of the German Mutual, other local fire insurance companies had been formed and various companies had entered the state.

In 1861 were organized The California Mutual Marine, The San Francisco Fire and The California Lloyds.

In 1862, April 15, the Legislature passed a law requiring companies not incorporated in this state to deposit \$75,000 in some bank or banks approved by state authorities.

In 1863 were organized The Merchants Mutual Marine, The Pacific The Fireman's Fund and The California Home.

In 1864 The Home Mutual and The California Mutual Marine became The California Insurance Co.

December 15, 1866, began the war of rates which lasted for more than three years.

In 1867 The Peoples Insurance Company was incorporated.

In 1868 The Mechanics.

In 1869 The Oriental.

At the time when the Insurance Commission was established, in 1868, the following companies were doing business here:

The Liverpool & London & Globe.

The Northern Assurance.

The Phoenix of Hartford.

The Imperial.

The North British & Mercantile.

The Hamburg-Bremen.
 The North China Fire.
 The Ætna of Hartford.
 The Manhattan.
 The North American.
 Ten outside companies, of which six were foreign, four Eastern.
 The Fireman's Fund.
 The California.
 The Builders.
 The German Mutual.
 The Home Mutual.
 The National.
 The Occidental.
 The Pacific Insurance Company.
 The Peoples.
 The San Francisco.
 The Union.

Eleven local companies, total 21 companies.

The average premium income of all these companies was \$98,304.

In that same year, 1868, on the 11th day of December, the "San Francisco Underwriters" entered into an agreement as to rates, commissions, etc., and published the first book of rates, known as "Rate Book No. 1."

This agreement was signed by the managers of the following companies:

The Liverpool & London & Globe.
 The North British & Mercantile.
 The Imperial Insurance Company.
 The Northern Assurance.
 The Hamburg-Bremen.
 The Phoenix of Hartford.
 The Home of New York.
 The Ætna.
 The Manhattan of New York.
 The Phoenix of Brooklyn.
 The North America.
 The Fireman's Fund.
 The Home Mutual.
 The Occidental.
 The Union.
 The Pacific.
 The Peoples.
 The California.

Hostile legislation led them at this time to agree to give \$600 per quarter to the charitable fund of the San Francisco Fire Department, with the understanding that the department would help them in their legislative fight.

They also ordered a block survey to be made of the city. 50 copies were to be furnished the companies at \$50 per copy.

There was no Sanborn map then.

I shall not now enter into the history of the various boards, interesting as it is. I have spoken of their organization up to and including the present board.

The business of fire insurance steadily grew and kept pace with the increase of wealth and population.

Companies failed and others came.

In 1869 we had 9 foreign companies, 12 Eastern companies and 9 California companies. A total of 30 companies, with an average premium income of \$87,834 each.

In 1870 we had 8 foreign companies, 11 Eastern companies and 8 California companies. A total of 27 companies, with an average premium income of \$73,306 each.

In 1871 we had 8 foreign companies, 11 Eastern companies and 5 California companies. A total of 24 companies, with an average premium income of \$60,951 each.

On September 15 the first number of the Coast Review appeared. This was the first insurance journal published on our coast. To it the insurance fraternity owes much.

In 1872 we had 10 foreign companies, 22 Eastern companies and 6 California companies. A total of 38 companies, with an average premium income of \$62,595 each.

In 1873 we had 11 foreign companies, 34 Eastern companies and 7 California companies. A total of 52 companies, with an average premium income of \$56,281 each.

In 1874 we had 13 foreign companies, 48 Eastern companies and 7 California companies. A total of 68 companies, with an average premium income of \$46,171 each.

In 1875 we had 17 foreign companies, 50 Eastern companies and 7 California companies. A total of 74 companies, with an average premium income of \$47,158 each.

In this year the Fire Patrol was organized.

On February 23, 1876, The Fire Underwriters' Association of the Pacific was permanently organized.

I have the greatest respect for and admiration of those brave and brainy men. They resembled in many respects the Pilgrim Fathers. It was a hostile land to which they came. They had to lay the foundations for future generations. They could get no help from their old homes in the East, for they, too, there were struggling against unjust taxation.

If you look over the history of insurance in the Eastern states you can not fail to be struck with the likeness of their fight to that on this coast which raged for many years.

The legislators here felt and said that the insurance companies must be milked and they fattened on the milk diet.

There were wars of rates such as we now know nothing of.

Tariffs were fought over, there too, was the question of fire department and water supply.

Loss adjustments were a sore perplexity, and many years passed before the acceptance and establishment of the "Kinne Rule."

LOOKING BACKWARD

Twenty Years Ago

At Sacramento there were valued policy and anti-compact bills.

Capt. Russell White of the San Francisco Underwriters Fire Patrol died of heart disease.

M. R. Higgins was appointed California insurance commissioner.

Companies admitted to California in 1892 were the Alliance of London, Patriotic of Dublin, New York Fire, Broadway and Spring Garden.

Thirty Years Ago

The National Convention of Insurance Commissioners adopted the Massachusetts standard fire policy with two amendments. Such was the origin of the New York standard policy, now thirty years old. At this convention the underwriters were represented by—

- D. A. Heald of the Home,
 - J. N. Dunham of the Springfield;
 - Charles Sewell of the Commercial Union.
- These three represented the National Board.

The United Fire Underwriters in America were represented by—

- A. Loudon Snowden of the Fire Association,
- Henry A. Oakley of the Howard,
- Peter Notman of the Niagara.

The Coast Review attacked the Mutual Reserve Fund Life Assn., and had a leader on "Serpents in the Field of Life Insurance."

1882 Coast fire insurance losses were \$1,000,000 more than in 1881.

In San Francisco bay the body of James Rowland, a well known insurance broker, was found floating in the bay. Rowland had been associated with the Liverpool & London & Globe for many years. He accidentally fell through the wharf.

The Phenix of Brooklyn was writing a lot of five-year policies on farm property in California.

On Dec. 11 and 12, 1882, Kingston, Jamaica, was swept by fire. Six hundred houses and stores were destroyed. Estimated loss \$15,000,000.

A press dispatch says a Los Angeles insurance man, Roy E. Rankin, was shot and probably

killed at Tia Juana, just over the line south of San Diego.

The Old Aetna

Assets, \$23,051,531, a gain of over a million in 1912. Surplus to policyholders, \$13,238,392, which is a large gain. The capital is \$5,000,000.

Metropolitan Life in 1912

Income, \$106,786,073, a gain of \$8,650,799.

Outstanding insurance, \$2,604,966,102, the largest amount of life insurance in force in any company in the world.

The ordinary department issued \$171,743,959 new business. The industrial department issued \$254,661,107.

The assets increased over \$45,000,000. The gain in surplus was \$2,182,987. The gain in outstanding insurance was over \$205,000,000.

Tontine Decision

A tontine policy issued by a New York company must be interpreted in accordance with the decisions of the New York courts. The relation between the holder of a tontine policy and the insurance company issuing it is not of a fiduciary character, and the company does not hold the accumulated profits as trustee.

A bill to enforce payment of the balance due on a tontine policy, and which prays for the reopening of a settlement and for an accounting or discovery on the ground of fraud, held bad for failing to allege the facts constituting the fraud.—*Equitable Life Assur. Society of the United States v. Weil*, 60 So. 133.

The Life Underwriters' Association of New York is taking steps toward making solicitors' licenses harder to get. It is a fact that licenses are taken out by business men for the sole purpose of getting or dividing the commission for insurance on their own lives.

According to dispatches "from the front," the handsome six-story office building of the Mutual Life in Mexico City was badly damaged by shell fire in the 999th revolution. The company has written no new business in Mexico for two years.

The German of Pittsburg reports \$1,123,143 assets, a gain of \$24,052; and net surplus \$146,675, a gain of \$10,281.

New Liverpool & London & Globe Insurance Building in San Francisco

Frontage on California street is 30 feet; on Leidesdorff street the frontage is 124 feet. To be two stories high, or 60 feet from cornice line to sidewalk. Principal material gray Tennessee-marble. The cost will be \$150,000.

Iowa Company Taken Over by the Fireman's Fund

The Hawkeye & Des Moines Fire of Des Moines, Ia., has been reinsured by the Fireman's Fund of San Francisco. Vice President Faymonville negotiated the transaction.

The plant of the Iowa company will be continued as the Hawkeye Underwriters. The staff of special agents and the local agents will be retained, and the Des Moines office will be in charge of the secretary and assistant secretary of the reinsured company.

The unearned premium of the Des Moines company was about a million dollars, and the liability assumed is chiefly in Iowa and largely on choice farm property. The conflagration liability is practically nil.

Two River Steamboats Collide and Turn Turtle in San Francisco Bay

The head-line tells the story. In a thick fog two river boats met head on, near San Francisco. One turned turtle and promptly went to the bottom. The other also turned bottom up, but went out to sea.

The Northwestern National has \$6,592,907 assets, a gain of \$377,000. Net surplus, \$1,640,776, a gain of \$134,000.

The Rocky Mountain Fire of Montana has begun business, with Paris Gibson as president, P. H. Sexton first vice and S. R. Jensen second vice and N. J. Beelenberg third vice. The secretary is Leo P. McMeel. Capital and surplus paid up, \$275,000.

Blue Sky Laws Galore

The National Convention of Insurance Commissioners has approved of a "blue sky" bill which will appear in thirty or more legislatures and enacted will butt out of the business all promoters who are willing to map out and sell lots of the blue sky to the suckers who some years ago were born every minute.

American Surety Election

At the recent meeting of the trustees of the American Surety Co. officers were elected and re-elected as follows: Henry D. Lyman, chairman of board of trustees; F. W. Lafrentz, president; Walter S. Johnston, first vice president; H. B. Zevely, secretary; R. R. Brown, supt. of agencies; L. S. Moore, manager reinsurance bureau. In addition, vice presidents and other officers to the number of thirty-two were elected. Some of New York's leading business men and lawyers are among them.

Michigan F. & M.

The Michigan F. & M. advanced its assets over \$30,000 to \$1,489,499 last year.

The Atlas

The Atlas U. S. branch reports \$2,826,707 assets and \$1,549,352 surplus. Assets gained some \$357,000 and surplus nearly as much.

The Guardian building in Pittsburg has been sold for \$60,000, a sum less than half what it was reported at in the annual statement. It was on this "rock" that the company split, and slid into the depths of insolvency. The Dickson-Tweeddale combination went down with it and the Southern. The Guardian receiver may now pay something to the creditors.

New York.—The United States branch of the Liverpool & London & Globe now has offices at 80 William street, which is within the zone of the general post office.

Light end-of-year losses kept the Coast ratio down.

The Travelers Insurance Company

Large Gain in New Life Business Issued—Also, Large Gains in Assets and Surplus

The annual statement of the Travelers Ins. Co. of Hartford shows such gains in business and resources as will hold the attention and excite favorable comment. Assets of nearly \$86,000,000 round up a great total, and the gain of \$5,704,000 shows what new business and sound investments will do.

Last year \$48,462,000 of new business was written, on paid-for business. This is nearly \$10,000,000 more than in 1911, a gain of more than 25 percent. At the same time the life insurance in force gained over \$30,000,000, increasing to \$280,150,000. It is evident that the Travelers has its share of the good business that pays, the business that stays.

This company now pays, in round numbers, a million dollars a month to its policyholders. Since organized it has paid 607,000 accident claims.

On this Coast the Travelers is represented at San Francisco by A. S. Holman, at Los Angeles by L. A. Greenwood, at Seattle by Malcolm Hughes.

California.—By the new law the legislature is taking a month's recess, during which time all the 4,000 bills are under consideration, and after which no new bills can be introduced. The worst possibilities are now known, and trembling business can privately kneel to the little gods at Sacramento—or "come through."

Times seem out of joint and by no means soft and pleasant in Washington, where it is hoped to create paying places for statesmen out of a job by having that afflicted state engage in life insurance. Kansas, too, has needy politicians, and will organize a state life office to give them a job, on the pretence of keeping the money at home.

Japan.—The Equitable Life has withdrawn from little Nippon, because of the new law requiring foreign companies to invest 60 percent of their legal reserves in Japanese securities. Perhaps it was the character of these, rather than the law itself, which persuaded this big company to retire from the islands.

Hartford Specials

The annual department gathering of the Hartford Fire specials in this field was held in San Francisco last week. The meeting was the usual satisfactory success.

Elk Grove Winery Loss in California

Insurance, gross, on this loss as follows:

Specific—	
Commercial Union	\$ 3,500
Concordia	5,000
Fire Association	8,000
Century	20,000
General form—	
Michigan F. & M.	\$10,400
Glens Falls	2,000
Home, N. Y.	45,000
Century	10,000
Michigan F. & M. (Machinery)	1,000

50th Anniversary Next Year

On April 1, 1914, a fiftieth anniversary agency convention will be held by the Travelers Ins. Co. in Hartford. An accident policy, the first covering general accidents in the United States, was written by the company on April 1, 1864, on James G. Batterson.

Delegates will be selected from among the agents who are under contract to place with the company all the life, accident and health business which they may write, and whose personal production does not fall below \$3,600 first year's premiums on life, accident and health policies for the whole year, and \$2,400 on accident and health policies only; and for agents appointed later than January 1, lower premiums of \$1,800 and \$1,200, with minimum of \$300 and \$200 a month. Premiums must be paid on at least twenty new risks.

Personal.—Manager Frank Avery of the Fire Association and Philadelphia Underwriters is in Honolulu.

Col. Alex. Hawes, California's veteran life man, celebrated his 80th birthday this week. He now lives in the Islands.

A Washington woman won a verdict for \$22,500 for loss of a finger by a banging car-door. Had it been her hand, the jury would doubtless have awarded her \$500,000.

THE TRAVELERS INSURANCE CO.

HARTFORD, CONNECTICUT

S. C. DUNHAM, President

Financial Condition January 1, 1913

ASSETS		RESERVES, and all other LIABILITIES	
Railroad Bonds	\$26,750,027	Reserve Funds to protect policyholders	\$70,901,144
First Mortgage Loans	25,879,665	Losses in process of adjustment	401,497
Loans secured by Company's Policies	8,674,159	Interest paid in advance	213,898
Government and other Public Bonds	7,743,975	Prem. paid in advance	95,054
Railroad Stocks	3,907,754	Special Reserves for taxes, rents, etc.	1,064,024
Other Bonds and Stocks	3,130,053		
Cash on Hand and in Bank	2,442,194		
Real Estate	1,637,550	Capital	\$ 2,500,000
Bank Stocks	1,409,978	Surplus	10,453,240
Interest Accrued	1,040,626	Capital and Surplus,	12,953,240
Loans secured by Collateral	230,623		
Deferred Life Premiums	649,738	Total Reserves, etc. \$85,628,857	
Premiums in course of collection	2,132,515		
Total Assets - \$85,628,857			

(Value of Bonds on Amortized Basis)

RECORD OF 1912

TOTAL CASH INCOME,	\$24,172,000
INCREASE IN ASSETS,	5,704,000
INCREASE IN RESERVE FUNDS TO PROTECT POLICYHOLDERS	4,640,000
INCREASE IN SURPLUS,	909,000
NEW LIFE INSURANCE ISSUED IN 1912, Paid-for Basis,	48,462,000
PAID TO POLICYHOLDERS,	11,431,000

RECORD TO END OF 1912.

PAID TO POLICYHOLDERS, Over	\$123,000,000
LIFE INSURANCE IN FORCE, Paid-for Basis,	280,150,000
TOTAL NUMBER OF ACCIDENT POLICIES ISSUED,	6,162,000
NUMBER OF ACCIDENT CLAIMS PAID,	607,000

SAN FRANCISCO OFFICE
Royal Insurance Bldg.
A. S. HOLMAN, Manager

LOS ANGELES OFFICE
Security Bldg.
L. A. GREENWOOD, Manager

SEATTLE, OFFICE
American Bank Bldg.
MALCOLM HUGHES, Manager

There Should Be Life Policies With Large But Decreasing Insurance

We had in mind a brief article in the *Coast Review* in advocacy of a policy at the present (or near) rate of premium but larger in the first years and smaller in the later years. And then from out the Far East came the voice of the learned actuary, David Parks Fackler, telling of the "adjusted indemnity" policies first issued some fifteen years ago, which reduce the insurance \$50 per \$1,000 after age 61 until 75, when the policy becomes paid up for one-fourth the original amount.

This policy is in line with what we had in view. As Mr. Fackler says, the ordinary life policy, with its straight insurance in a given amount, including the increasing reserve and the decreasing difference between that and the face of the policy, is behind the age. It has served its good purpose well, but is now giving way to other contracts.

We had in mind a family protection policy with a large amount of insurance during the child-caring period and a decreasing amount of insurance guarantee later, with options. The husband and father may need \$10,000 insurance today at age 30, but he can afford only \$5,000 because the "standard" policy requires him to carry 5,000 insurance at age 60 when he may not need a single thousand.

An illustration blank, attached to a tontine policy giving the amount of surplus that would probably be earned by the policy according to past experience, held not a guaranty of the amount of the surplus; and hence, at the end of the tontine period, the insured could only recover the amount earned and apportioned by the company.—*O'Brien v. Equitable Life Assur. Society of the United States*, 138 N. W. 1086.

It Pays to Advertise.—In San Francisco the gas company advertises a good deal and the papers speak kindly or not at all of this "trust." The water company does not advertise and all the pack of papers are barking at the heels of this "trust."

At a Meeting of Union Central Life Agents

H. K. A. illustrated ways of cultivating policyholder and how profitable it is to the agent to keep in touch with him when the policy is sold properly in the first place. This always means increases in the insurance from time to time. Mr. Allen does his own collecting and chases the renewal premium harder if anything than the first. He recommends that agents take an interest in the affairs of their policyholders and said that in 1912 he had written \$192,000 on old policyholders. He gave several instances of how by taking an interest in old policyholders it had proved highly profitable. He once even gave a golf tournament to his policyholders at his home and considered that he was well repaid in business for his trouble.

R. L. S. spoke on waste time in soliciting. "Don't Macawberize," he said; "don't sit around the office; get out and walk, get fresh air. Realize that it takes from five to ten interviews to close a case; make up a list of prospects every morning, have a definite program and an incentive. If you don't love to write life insurance go into some other business." "Every one," he said, "must have an incentive to accomplish things and maintain the proper spirit. Try to get on the list of 100 best producers; as a general agent give dinners and hold agency meetings; send out bi-monthly letters to agents and even policyholders' meetings." He recommended soliciting before going to the office in the morning and getting a good start for the day.

Secretary Sage in his talk gave an analysis of the staying qualities of the business written in 1907. The first year 12 percent went off the books, the second 19 percent, the third 7 percent, the fourth 2 percent, and the fifth 2 percent, so that on the first of January, 1912, only 58 percent of the business written in 1907 was still in force. He considered this a great economic waste and believed that this percentage could be materially reduced.

Actuary Hardcastle said a normal increase of business would be about 20 percent annually, 10 percent of which might be naturally expected from an increase in the efficiency of existing agents and 10 percent on account of new agents. This would enable the Union Central to write between \$55,000,000 and \$60,000,000 worth of business the coming year very safely. A gain of \$10,000,000 a year until 1917 when this company will be 50 years old would give it about \$500,000,000 in force.

FIRE INSURANCE AND THE COMMUNITY

*From a Paper by D. A. Spencer, Secretary Brokers Exchange, San Francisco.
Read at the 37th Annual Meeting of the Fire Underwriters'
Association of the Pacific*

When buying an automobile, a sewing machine, a house, a suit of clothes or our food supplies we can see what we get for our money, and whether the vendor is making a profit of ten per cent or two hundred per cent cuts very little figure. The thing we purchase is before us, and if we want it we take it. A fire insurance policy is different. We pay say \$50 for a nicely engraved piece of paper, which promises, under conditions, to pay \$5,000. We are confident the conditions for payment will never arise, but feel we ought to have it, though we are just throwing our \$50 into the coffers of this corporation, the larger portion going to help pay enormous dividends to the greedy stockholders. While the odds of the gamble given by the corporation are apparently large, in this case 100 to 1, the odds are too small because it is nearly all profit. This seems to be about the usual course of reasoning of the average purchaser of a fire insurance contract, and it is because the community as a whole believe the profits of fire insurance companies are excessive, that the legislatures of the various states are flooded with legislation to control rates, or make the companies pay for something not in the contract.

The members of this Association, who have given the best years of their lives to the solving of the innumerable fire insurance problems, know that the business is an extremely hazardous one to the investor, and like all such investments must hold out some promise of reasonable reward or there would be no fire insurance companies. The necessity for such companies to the commercial world is well known, and the average insured would readily agree that the stockholders in the companies are entitled to such returns upon his investment. The main question is: Are these returns unreasonable?

To answer this question it is necessary to go into the history of fire insurance companies of the United States for the past fifty years. During that period over one thousand stock companies and as many mutuals have either failed or retired, because the business was unprofitable. On December 31st, 1911, Best's reports give 249 stock companies of the United States doing business. The Superintendent of Insurance for the state of New York reports 132 United States stock companies duly entered in that state as of that date. These latter companies are those best known to the insuring public and the companies whose business covers a wide range of territory, and the average returns to their stockholders the best index of the profits of the business.

LEGISLATURE'S COMMITTEE REPORT.

The Legislature of the state of New York in 1910 to fully acquaint its members with the various questions relating to fire insurance, constantly being presented for legislation, appointed a committee to investigate and report.

The committee went carefully into the questions of rates, how arrived at, profits for stockholders, expenses of companies, combination of companies, etc., and the result of its inquiry make interesting reading. Its

conclusions on the subject of combination of companies and schedule rating is worth quoting, though I am compelled to abridge to shorten this paper and save your patience.

"The actual historical fact is that at all times and in all places a state of open competition has been found impracticable, and that combinations of the companies have been formed not merely to make but to maintain rates."

"When a man comes to buy insurance and finds the companies combined on the matter of rates he is likely to feel shocked. It is natural for him to conclude that this combination exists in restraint of trade and should be broken up. This is exactly what was done by a number of states. So-called anti-compact laws were passed which made it illegal for the companies to combine either to make or maintain rates. However, the economic forces involved were too strong to be restrained by law. Open competition in which there was no standard rates was an impossible condition for doing business. The result was a 'state rater,' who made and promulgated rates in essentially the same way that they were made before by the rate making bodies of the companies."

"The result has been that in general people paid established rates for insurance, but where a man had enough influence he could obtain concessions in rate. One result of anti-compact laws has been an increased discrimination against the average policyholder in favor of the rich and influential."

Reporting as to schedule rating it says in part:

"The power of schedule rating as an economic force can be very simply explained; it lies in the fact that it is specific and open. The importance of this lies in the fact that when the insured sees just how, by making certain changes in his building he can obtain a more favorable rate, there is a direct appeal to his pocket."

"Any reasonable schedule, even though it may have considerable defects, will tend to produce equity inside of fairly homogeneous classes."

The same report on the question of state regulation of rates says:

"Some very grave objections can be made on theoretical grounds to the principle of state regulation of rates. In the first place if there is to be regulation at all the power must be delegated to some one outside the companies, either to make or to order change in rates. This is a very dangerous power, it might be used for political purposes; he who exercised the power would have effective pressure to bear upon him from only one direction, that is, to reduce the rates, while in certain emergencies the situation might demand an increase."

"To make or revise rates properly the state would have to collect a loss experience, presumably calling upon the companies for it, and it would have to employ experts at least as capable as those now employed by the companies. The actual possibility of doing this is not questioned; the point is that the situation must be very aggravated that would warrant the state in assuming such an extended and technical piece of work."

There is so much that is the same on this subject in the report of this committee I should like to quote more freely were it not for want of space.

On the question of earnings of the companies I cannot do better than again quote the same report.

"What is left of the premiums received during the year after losses and expenses have been paid is what is commonly called underwriting profit. If money earned no interest this would be the whole profit."

"Let us take an example: A company with a capital of \$1,000,000, a surplus at the beginning of the year of \$4,500,000, and doing a business during the year of \$6,250,000 in premiums; the unearned premium reserve at the beginning of the year is \$5,800,000; the losses \$3,450,000 and expenses \$2,400,000. Then the underwriting profit has been \$400,000 or 6.4 per cent upon the premium receipts or 40 per cent upon the capital." It is to be noted that in estimating underwriting profit no attention is paid to any increased liability, but for illustration the committee report does very well.

"Now the funds of the company aggregate \$11,300,000. If this sum has earned 4 per cent the interest from earnings will be \$452,000 or 45 per cent upon the capital. We cannot help noticing that the earnings were 85 per cent of the capital stock; superficially this seems an excessive profit, and would seem to justify the popular impression that fire insurance is a bonanza."

"This illusion disappears when we carefully consider upon what basis the earnings should be figured. The real capital that the stockholders have in the business is what the business would bring if sold as a going concern. This would be the capital, surplus and at least 30 per cent of the reinsurance reserve, or \$7,240,000. The profits of \$852,000 on this basis would yield an income of 11.7 per cent."

The report reasonably states that the method of estimating profits of all other business is based upon the net value of the plant, and can see no reason why those of fire insurance companies should not be treated in like manner.

Going carefully into the question of earning during the twenty years prior to 1910, as prepared by the New York Insurance Department, they find that for the six largest United States companies the average was 10.1 per cent. For six medium-sized companies an average of 6.6 per cent, and for six of the small companies an average of 4.5 per cent.

The dividends paid on first class averaged 5.4 per cent.

The dividends paid on second class averaged 3.3 per cent.

The dividends paid on third class averaged 3.4 per cent.

"The figures presented show that on the whole the companies have not been making an excessive profit. The best companies have averaged 10 per cent profit for the past twenty years, of which one-half has been kept in the business. And yet these figures are only for the largest companies; the small and medium-sized companies have earned scarcely more than they could have earned if they had invested their money in bonds and mortgages and done no insurance business at all."

"This showing is substantiated by the fact that no company of the first rank has gained a footing in the business during the last thirty years."

I have quoted freely from the report of the Committee from the New York Legislature, because its members so evidently desired to be fair in their investigation. Their conclusions are sound, and clearly show that the returns to the stockholders of the companies are not excessive and the rates not too high, unless there is great waste in the companies method of

transacting their business. Much is said in this report regarding excessive commissions paid to agents as one source of waste, but the best exposition on the subject of waste is from the report to the Illinois Legislature in 1911 of the Illinois Fire Insurance Commission. It says:

"It must be evident to any student of fire insurance that too much money is paid in the way of commissions to persons who do not perform a service commensurate with the pay they receive. A considerable part of this excess commission is paid to those who have no expert knowledge of the insurance business, and who, in the opinion of this commission perform no service for which they are entitled to any compensation. Ninety per cent of the annual business of fire insurance is solicited and the policies written by local agents. That both ignorant and unscrupulous local agents do increase national waste of life and property, and necessarily the average fire rate is a matter of common notoriety among fire underwriters.

"Nearly every trade or profession requiring any degree of skill or amount of information is now required, in almost all states, to present its members for examination and satisfy the state of their fitness for the business in which they propose to engage. Why should not this be required of fire insurance agents? Greater efficiency in this branch of the fire insurance business would, in our opinion, have an early and appreciable effect upon fire losses and a corresponding result in premium reductions. What we have said concerning the qualifications of local agents applies with equal or greater force to special agents who represent their companies in the field. The legitimate duties of special agents are to appoint and educate their companies agents, inspect its business, etc., and in the honest performance of their duties by capable special agents there is nothing inimical to public interests—indeed their work if well done is absolutely necessary and highly beneficial—but some of these men are entirely unqualified both mentally and morally. They can rise to no higher conception of their duties than to regard themselves as drummers for the sale of their companies policies regardless of the quality of the business or the dishonest discrimination necessary to secure it. They are more dangerous than local agents in proportion to the territory covered by their jurisdiction."

Now what is the moral, and how does it apply to members of this Association?

The average agent and most insurers believe that insurance companies receive abnormal profits. If that were true the rates are too high. As I have shown it is not true, and every special agent should make it his duty to become part of an educational force to dispel the illusion. Impress upon your agents the fact that insurance is a commercial necessity, and that the companies are much nearer being philanthropists than robbers. Fill up your grey matter with facts and figures to sustain your position, and do your best to convince the agent of the value to him in making his clients understand that he represents an honorable business and is giving good value for money received. A bright special once told me that when he was an agent he relied upon the sporting instinct of his clients, and demonstrated that the company was offering long odds in its gamble that the premises would not burn. When a man is shown that the odds on his dwelling are from 200 to 400 to 1 the transaction takes on a different aspect.

When you meet the insured don't agree with him that his rate is too high, and that you will do your best to get a lower one, but convince him

that the rate is reasonable unless after a careful survey you believe his claim is a just one.

Unfortunately the charge of the Illinois Commission is true to some extent even among the high class of special agents members of this Association.

The special agent is in many instances too much of a drummer for premiums and less of an educator of agents, and inspector of risks than he should be. It is true that the waste from losses could be greatly reduced if every special gave more attention to the physical and moral hazard of the risks taken by the agents under his supervision.

I can well remember a bit of my own experience as a special. I inspected a risk in a block of frame stores, and was satisfied with the risk shown me, but in going through the block was impressed with the fact that one of the stores was both morally and physically bad, but as it was not on my company's books did not order the risk we had cancelled. Within two weeks I was called upon to adjust our loss for \$1,000, caused by a fire started in the store I felt suspicious of. You know how it was. I disliked to cut my agent out of that \$100 premium.

Another waste is the payment of excessive claims after a loss. The agent wants to stand well with his client, and the special with the agent, and so in too many instances claims are adjusted and paid for in excess of actual loss. I remember a case which is typical of many where a claimant insisted upon \$450 where the loss did not exceed \$100. One special announced promptly that his company proposed to pay the claim upon which the other specials immediately followed suit. In that instance I was an independent adjuster, and as the insurance was quite large the company employing me said it could not afford to stand out.

In such cases the company loses the respect of the insured as being a too easy mark. No gold brick man has any great respect for his victim.

Another source of waste is in excess commissions to agents given directly, or by way of extravagant expenditures with or valuable presents to agents. Of course this does not apply to members of this Association, but the other fellows do it.

I know that most company managers are pessimistic on the subject of educating the community, and the late action of the city and commercial bodies of San Francisco would seem to confirm their pessimism. But the foundation of the action of the people of this city is due to their ignorance of the conditions surrounding the fire insurance business, and that is just as true of other communities. Education is the remedy, and it is not an easy task, but if persisted in will in time bring results. The members of this Association must be the professors in this new college on this coast. It will take time and persistent work, but the ultimate result is worth working for.

Last winter I read a paper on the conditions of the Standard Policy before an economic club at Berkeley composed of professors, post graduates and seniors of the University, and it took considerable talk to convince the members that the contract was fair in promising indemnity only, but they finally saw the justice of the contract.

In conclusion I quote from the report of the New York Superintendent of Insurance for 1912:

"The basal necessity is more popular information as to what insurance is and what it really does. This educational work has been begun. It should be carried on with tenfold the present energy, even though at tenfold cost."

It is perhaps utopian to suggest or expect that insurance, as an institution, will turn aside from its competitive bickerings and seek to educate the people; but unless it shall do so corporate insurance will continue to suffer from misinformation and prejudice, and may, in the end, give place to insurance by the state.

THE INSURANCE LIBRARY

From a Paper by Maud Elizabeth Inch, Insurance Librarian, New York, Read at the 37th Annual Meeting of the Fire Underwriters' Association of the Pacific

In the year 1909 Mr. Herbert Folger read an address before your organization, wherein he laid down some excellent rules for the novice in paper writing. One commandment in particular appealed to me. "Do not try to cover too much ground." At the risk of brevity—which after all is the soul of wit—I shall follow Mr. Folger's goodly counsel, believing that a simple tale, simply told, is preferable to a lengthy discourse on a subject with which you are perhaps more familiar than I am.

The Library of the Insurance Society of New York was reorganized in April, 1909. On the first day of that month in that year, I was shown into a small room filled with what seemed to me exceedingly large books. I afterwards discovered they were State Insurance Reports. The first coherent impression made upon me was that insurance literature was exceedingly dry reading, and never should I be able to grasp the significance of such cabalistic terms as the National Fire Protection Association, the Fire Underwriters' Uniformity Association, or understand the countrywide importance of the National Board of Fire Underwriters. Our library in three years has grown to a room quadruple the original size; our books have doubled in number; and our visitors have increased from one a week, to a dozen or more a day, with a general average of one thousand a year.

We maintain correspondence with insurance men all over the world, and our Bulletin, with its list of new books, and other activities, goes to China, Japan, Finland, Rangoon and Demerara.

* * *

LIBRARY MUST BE UP TO DATE.

A library is known by the book it keeps! The most essential thing is to be up to date. A book published today, the library should have tomorrow. The demand for the "latest edition" is part and parcel of our busy lives. On the other hand, you will doubtless have some studious souls, and for their benefit, historical works and early editions should be secured. The majority of readers, however, are in search of the last word on the subject they are interested in, and nothing but a 1913 imprint will satisfy them. I have found little demand for foreign publications. The reason apparently is because conditions differ in various countries. We

certainly purchase books published in Great Britain, but the call for them is slight. The same might be said on books dealing with electricity. We have them, but rarely are they asked for.

If I were asked to name the subjects on which information is most desired, I should reply Adjusting, Chemistry, Hazards, Building Construction and Accountancy. The last named is a new feature. A member of our society requested us to add a few books on that topic to our shelves. We complied, with the result that many accountants visit us regularly.

One lesson the insurance librarian must learn. There is no book too old, or pamphlet too insignificant, to be of value sometime. The very thing you are prepared to discard today may be asked for tomorrow. In the days of my novitiate I regarded all state insurance reports as unnecessary, and could not imagine that an insurance paper ten years old would be of interest to anyone. Now, I hoard religiously the most insignificant item, and have a feeling of veneration for state insurance reports fifteen or twenty years old. Our Secretary states that if experience has taught me the expediency of preserving even trifles, then that stern taskmaster has not labored in vain.

* * *

I do not hesitate to state that the insurance press has the power to aid the insurance library to an incalculable degree. We in New York City have long recognized this. Never have we taken a step forward, that they have not given us full measure of praise and encouragement. So, to anyone considering the establishment of an insurance library, I would say "Talk to the journalists. Tell them your ideas, your hopes. They will help you if they can, and at any rate will prove warm adherents to your work."

Much water has flown under many bridges since the days of Amil-ann, the first recorded librarian, and I wonder what that ancient Babylonian gentlemen would think of the many libraries devoted to insurance in this country and abroad. Of course Boston holds the palm for being first and foremost in the United States, but the Fire Underwriters' Association of the Northwest, as well as yourselves, are by no means behind in the movement. The insurance societies of Hartford, Pittsburg, Cleveland and Philadelphia have their own collection of books, and we are constantly hearing of plans for the building of more insurance libraries.

Copy of letter from our Japanese janitor to pretty stenographer:

Oakland, Cal.

Dear Yoong: It is fear and trembling that I take my pen and paper to write a letter which shall convey to you exactly how I feel toward above.

My darling cause your eager walk across your resident and looked upon you and the heart is bust. Feel about you at home why am take ink and paper to write these few worry line to you.

Darling do you realize? Dont love me like I love you. Best is as life without you on starving desert plain without refreshments. Beautiful lady have no afraid of utterance to disconcern you without which everything is impossible, please.

Your obt. Frank.

—California Knapsack.

FIVE YEARS SAN FRANCISCO FIRE PREMIUMS

WITH SURPLUS FUNDS IN FIRST COLUMN

California.	Surplus as to Policyholders	1912	1911	1910	1909	1908
California	\$ 695,338	\$ 88,910	\$109,643	\$123,904	\$110,151	\$118,537
Fireman's Fund	4,604,730	98,564	128,106	130,987	102,128	90,944
Los Angeles Fire	283,377	2,356	2,776	. . . . .	. . . . .	. . . . .
Total . . . . .	. . . . .	\$189,830	\$240,525	\$254,891	\$212,282	\$209,481
 Other-American.						
Etna	\$12,834,195	194,127	229,507	238,699	228,922	217,892
Agricultural	1,805,970	35,466	41,870	47,775	51,289	37,151
Alliance	1,392,591	17,761	23,603	23,750	24,242	26,356
American	4,135,103	33,011	37,593	46,002	43,982	49,992
American Central	2,858,230	34,040	36,447	44,082	42,153	40,118
American Union	650,795	33,129	17,321	. . . . .	. . . . .	. . . . .
Arizona	283,737	485	. . . . .	. . . . .	. . . . .	. . . . .
Austin Fire	359,275	12,404	12,132	. . . . .	8,406	12,425
Caledonian-American	239,134	40	. . . . .	. . . . .	. . . . .	. . . . .
Camden	1,212,138	6,734	8,856	10,083	. . . . .	. . . . .
Citizens	360,413	652	825	657	1,031	1,312
City of N. Y.	828,262	13,798	10,754	. . . . .	. . . . .	. . . . .
Colonial Fire Underwrs	3,630,276	26,990	33,462	31,218	31,700	36,939
Com'l Union Fire	510,059	3,954	4,787	5,822	6,826	7,348
Commonwealth	1,509,385	12,404	12,132	. . . . .	8,406	12,425
Concordia Fire	543,874	44,409	37,456	34,130	14,609	6,444
Connecticut Fire	3,117,286	56,457	67,959	65,753	73,843	78,613
Continental Fire	16,489,991	78,058	76,730	72,942	64,093	62,635
Delaware Underw.	1,818,000	812	. . . . .	. . . . .	. . . . .	. . . . .
Detroit F. & M.	1,552,036	289	. . . . .	. . . . .	. . . . .	. . . . .
Dixie Fire	715,388	21,362	27,360	35,072	45,712	24,456
Dubaque F. & M.	554,307	25,742	34,149	39,250	26,408	12,561
Eastern Underw.	1,242,138	9,340	7,731	. . . . .	. . . . .	. . . . .
Empire City Fire	640,464	7,295	15,586	12,951	19,700	2,868
Equitable F. & M.	638,921	2,095	3,286	4,386	6,150	8,102
Fidelity Phenix	6,727,756	42,472	36,758	26,623	. . . . .	. . . . .
Fire Association	3,340,263	58,911	66,490	55,835	54,709	57,327
Firemen's	3,808,680	29,792	35,498	42,168	43,474	44,625
Franklin Fire	1,266,944	22,339	29,380	31,994	22,786	. . . . .
Franklin, D. C.	313,384	328	94	. . . . .	. . . . .	. . . . .
German, Illinois	378,892	7,638	10,814	14,864	19,842	26,500
German, Pittsburg	436,394	22,232	24,060	22,648	9,997	7,664
German-American	10,802,413	54,209	76,494	77,939	72,296	67,247
Germany	3,289,632	11,299	. . . . .	. . . . .	. . . . .	. . . . .
Girard F. & M.	939,752	12,887	15,882	10,148	9,951	5,725
Glens Falls	2,919,805	15,362	22,270	18,860	23,198	25,270
Globe Underw.	3,019,039	4,515	1,849	. . . . .	. . . . .	. . . . .
Globe & Rutgers	3,019,039	39,638	54,214	65,240	75,461	93,887
Greenwich	270,119	2,916	. . . . .	. . . . .	. . . . .	. . . . .
Hamilton Fire	250,242	1,451	878	896	. . . . .	. . . . .
Hanover Fire	2,182,412	9,798	11,115	13,465	9,984	6,104
Hartford Fire	10,513,692	126,625	133,392	137,212	112,973	104,696
Home, N. Y.	19,151,755	273,370	326,608	396,678	408,974	398,165
Home of Utah	834,330	5,163	4,858	3,559	. . . . .	. . . . .
Humboldt	575,950	3,996	. . . . .	. . . . .	. . . . .	. . . . .
Ins. Co. North America	8,844,872	74,478	97,788	110,293	107,286	102,080
Ins. Co. State of Pa.	1,239,770	12,197	. . . . .	. . . . .	. . . . .	. . . . .
International	485,009	5,905	7,969	9,574	. . . . .	. . . . .
Jefferson Fire	411,032	23,525	31,449	41,620	35,968	38,306
Lumber	479,547	1,544	. . . . .	. . . . .	. . . . .	. . . . .
Mechanics & Traders	763,129	12,026	17,123	19,209	22,638	23,278
Mercantile F. & M.	276,659	1,182	12,352	12,205	18,513	19,516
Mercantile F. & M. Und.	2,858,230	811	. . . . .	. . . . .	. . . . .	. . . . .
Merchants	294,089	4,146	4,885	1,877	. . . . .	. . . . .
Merchants Assur.	523,117	18,455	21,316	11,442	. . . . .	. . . . .
Michigan F. & M.	766,614	12,612	14,626	17,701	18,602	20,780
Michigan Com'l	482,760	11,181	14,344	20,708	27,541	31,417
Minnesota Underw.	2,708,868	701	. . . . .	. . . . .	. . . . .	. . . . .

Five Years San Francisco Fire Premiums—Continued

	surplus as to Policyholders					
	1912	1911	1910	1909	1908	
Nassau Dutchess	426,951	3,999	5,527	7,736	12,605	3,534
National Ben Franklin	1,638,830	36,677	7,377			
National Fire	3,660,276	80,715	104,296	130,799	126,760	116,778
National Lumber	294,299	4,647				
National Union	\$ 1,424,096	\$ 125,169	\$ 151,818	\$ 133,160	\$ 58,596	\$ 54,983
Newark Fire	853,914	1,312				
New Brunswick	322,853	28,899	32,595	28,287	31,984	45,972
New Hampshire	2,854,505	5,642				
New Haven Underw	1,940,287	4,776	1,110			
New Jersey	829,004	21,018	425			
New York Underwriters	10,513,692	24,122	13,253	15,875	15,943	17,367
Niagara Fire	3,177,199	30,541	35,082	40,091	46,606	45,716
Niagara-Detroit Underw	5,788,533	6,934	3,791			
Northern of N. Y.	571,186	2,438	1,006			
Northwestern Nat.	2,592,599	12,033	7,964			
North River	860,087	30,292	37,774	13,760	41,024	46,560
Occidental	380,803	562				
Orient	1,772,360	24,381	29,100	34,028	31,752	35,129
Pacific	580,803	5,207				
Pelican Assurance	422,299	9,510	10,244	10,003	8,086	6,604
Pennsylvania Fire	3,082,697	23,327	25,341	26,891	23,184	11,610
People's National	1,216,959	6,108	11,170	22,860		
Phoenix, Hartford	5,152,919	83,224	99,022	111,555	108,777	84,212
Prov.-Washington	1,699,456	21,518	22,651	23,809	23,662	19,035
Queen of America	1,738,799	65,436	89,897	97,963	91,465	80,572
Reliance	606,564	9,027	11,612	15,100		
Republic Underwrs	701,250	24,839	24,264			
Rhode Island	792,334	1,710				
Rochester-German Undw	10,892,413	15,886	11,514			
Security	1,940,287	13,008	20,979	11,574	13,531	11,327
Southern States	423,989	492				
Springfield F. & M.	1,870,708	95,979	116,342	121,977	129,679	133,164
Standard Fire	880,776	4,860	1,246			
St. Paul F. & M.	2,768,868	34,059	35,217	40,935	39,978	39,029
Stuyvesant	677,695	6,407				
Teutonia	421,340	10,239	11,397	13,695	15,403	16,234
United Firemen's	619,893	14,536	15,056			
U. S. Fire	688,378	10,800				
Vulcan	295,645	196				
Vulcan Fire	894,938	1,801				
Westchester Fire	1,818,000	25,555	41,446	43,333	49,599	62,200
Total	\$2,594,277	\$2,798,892	\$2,962,184	\$2,895,434	\$2,945,871	
Total American	\$2,694,107	\$3,033,793	\$3,217,075	\$3,017,716	3,155,852	
U. S. Branch						
Foreign						
	Surplus	1912	1911	1910	1909	1908
Anchon & Munich	\$1,269,038	\$ 603	\$ 819	\$ 1,296	\$ 2,517	\$7,845
Atlas Assurance	1,049,352	46,660	47,089	55,197	54,280	48,348
Caledonian	560,450	14,826	12,206	18,937	14,990	17,966
Century	501,627	3,031				
Commercial Union	2,899,647	41,522	47,236	44,150	48,380	43,149
Law Union & Rock	359,950	14,271	12,676	13,546	12,516	10,290
Liv. & Lon. & Globe	1,481,989	295,919	315,949	402,608	385,595	374,985
London Assur	1,226,498	97,314	92,385	91,214	112,145	114,134
Lon. & Lancashire	1,629,994	61,295	69,507	71,895	77,103	84,327
New Zealand	367,437	117,801	145,600	163,416	164,669	155,292
North British & Merc.	3,736,693	100,086	105,012	97,490	108,074	91,310
Northern Assur.	2,083,480	119,322	153,550	171,527	161,909	156,807
Norwich Union	910,575					
Palatine	1,524,199	18,966	24,322	28,023	27,598	28,099
Phoenix Assur.	1,416,979	78,266	92,843	80,130	70,522	50,439
Prussian National	634,764	17,525	23,603	2,620		
Royal	3,037,559	205,478	240,241	252,155	271,634	244,690
Scottish Union	3,029,145	46,677	55,227	64,256	54,251	33,589
State Assurance	301,598	2,676	1,140	1,824	2,452	3,999
Sovereign	280,161	1,473	1,201			
Sun, London	1,344,180	61,535	61,462	58,423	57,086	56,375
Svea Fire	624,433	12,521	13,256	13,334	11,194	10,695
Union Assurance	982,232	64,505	79,012	72,754	79,081	102,603
Western Assur.	1,927,399	39,886	43,977	57,873	72,594	72,104

Five Years San Francisco Fire Premiums Concluded

Foreign	U. S. Branch Surplus	1912	1911	1910	1909	1908
Yorkshire	577,550	12,555	.	.	.	.
Total Foreign	\$1,465,713	\$1,651,471	\$1,651,471	\$1,762,578	\$1,791,971	\$1,797,111
Grand Totals	\$4,159,820	\$4,688,040	\$4,979,653	\$4,868,750	4,862,750	4,862,750

Totals include figures of retired Companies. No other Journal prints this compilation. Underwriters' surplus is the same as the parent company, and the premiums of the two should be added. The surplus printed in the first column is generally that of January 1, 1912.

Fire Underwriters' Inspection Bureau Reports for 1912

From Manager Porter's interesting reports we make these brief summaries:

Portland—During the year a complete reinspection of the mercantile district was made. There were no fires from Fourth of July celebration or Christmas decoration.

The work included 5216 bldgs. inspected. Oil storage stations are now being constructed outside of the city limits. There is now only one frame theater in the city.

The new fire boat is half completed.

Total changes secured, 13,638.

Seattle—Investigation made as to the causes of 42 fires, and improvements in reconstruction were secured.

After the serious failure of the water supply in the fall of 1911, an auxiliary fire system was greatly favored. The bureau by request, drafted a plan, but the city engineer's office made such suggestions, with delays, as practically killed it. No further action is likely.

New ordinances governing garages, dry-cleaneries and "movies" are being drafted. 8,239 changes were effected.

Tacoma—Ordinances governing the use and storage of explosives, including gasoline, have been enforced. One cleanery has been discontinued for violating the ordinance.

Changes effected, 3101.

Spokane—The district north of the river has been gone over thoroughly. The ordinance requiring fire proof boiler rooms in all buildings where steam heaters are maintained has been strictly enforced. The movement for an auxiliary high pressure water supply in the congested district has again been taken up.

Changes effected, 1615.

Salt Lake City—National code electrical ordinance, drafted by the bureau, and other ordinances are rigidly enforced. A new and stringent building ordinance will probably be passed. 75 new

hydrants placed and eight miles of mains laid in 1912. Total changes 2909.

Ogden—Fire department strengthened by the addition of a high power motor combination chemical and hose wagon. Proposed to replace repaired old steamer with a motor-driven triple combination fire engine. Total changes 737.

Oakland—Nickelodeon ordinance rigidly enforced. New ordinance provides for removal of buildings damaged to extent of 40 percent by fire or decay. Fire marshal and bureau inspector in charge authority to enforce. Total changes 2233.

Berkeley—Complete reinspection. Total changes 908.

Alameda—Complete reinspection. Total changes 355.

San Francisco—There are now 516 standard reports published. All sprinklered risks, have been inspected at intervals of six months. Map of fire proof and sprinklered risks brought up to date and republished.

Auxiliary high pressure water system nearly completed. Virtually all piping laid and hydrants set. Second-street salt water pumping station completed and in operation. Twin Peaks reservoir being recaulked and will be in service soon. Jan. 1, 1914, should see system completed.

Changes effected 12,761. Buildings inspected 12,174. Electrical inspections 13,886. Expenses, 51-100 of 1 percent of city premiums.

Los Angeles—Particular attention paid to safety of fuel oil and distillate installations; Petitions for use of oil fuel are referred to Inspection Bureau for recommendation and supervision.

Buildings inspected 8,314. Electrical inspections 7,264. Changes effected 12 116.

The officers "just before the battle" were: Frank L. Hunter, president; H. A. B. Peckham, secretary; W. Van Winkle, general manager; J. P. Caples, superintendent of agencies; H. K. Wide-meyer, manager accident department.

Sic transit mundi.

**SAN FRANCISCO FIRE PREMIUMS
IN 1912**
By Agencies

Liverpool & London & Globe	295,919
Prev. yr.	345,949
London Assurance	97,314
Prev. yr.	92,445
London & Lancashire	61,295
Orient	24,381
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	85,676
Prev. yr.	98,607
Connecticut Fire	56,457
Prev. yr.	67,959
Phoenix Assur.	66,422
Pelican	9,510
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	75,932
Prev. yr.	87,427
American Central	34,039
St. Paul F. & M.	34,059
Mercantile F. & M. Und.	811
Minnesota Underw.	735
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	69,644
Prev. yr.	84,016
City of New York	\$ 13,798
Previous year	10,755
Germania	11,300
Prussian National	17,525
Lumber	1,544
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	30,369
Prev. yr.	29,160
Hanover	9,799
Peoples National	6,108
Northern, N. Y.	2,438
Delaware Underwriters	812
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	19,157
Prev. yr.	25,585
Western Assurance	30,885
Prev. yr.	43,977
Northwestern National	12,091
Prev. yr.	7,964
Law Union & Rock	14,271
Prev. yr.	12,656
Pennsylvania Fire	23,327
Prev. yr.	25,341
Vulcan Fire (six month's figures)	4,801

Royal	205,478
Queen	65,436
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	270,914
Prev. yr.	330,138
Home of N. Y.	273,370
Century (3½ mos.)	3,031
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	276,401
Prev. yr.	326,608
Hartford Fire	126,625
Citizens	652
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	127,277
Prev. yr.	134,217
German American	54,259
Phoenix of Hartford	83,225
Equitable F. & M.	2,095
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	139,579
Prev. yr.	178,802
North British & Merc	100,086
Prev. yr.	105,600
Yorkshire	12,556
Niagara Fire	30,541
Detroit F. & M.	289
Niagara-Detroit Und.	6,934
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	37,764
Prev. yr.	39,375
Providence-Washington	21,519
Prev. yr.	22,651
Firemen's	29,792
Eastern Underwriters	9,340
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	39,132
Prev. yr.	45,581
Agricultural	35,466
Svea	12,521
Globe & Rutgers	39,638
Hamilton	1,451
Globe Underw.	4,515
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	93,591
Prev. yr.	112,346
Union Assurance	\$ 64,505
Previous year	79,013
Fire Association	58,911
Prev. yr.	66,514

**San Francisco Fire Premiums in
1912—Continued**

National	\$ 80,715	Firemans Fund	98,564
Colonial	26,990	Prev. yr.	128,106
Mechanics & Traders	12,026	California	88,909
	119,731	Prev. yr.	109,643
Previous year	154,881	Michigan Commercial	11,181
Sun of London	61,535	Prev. yr.	14,344
Michigan F. & M.	12,612	Arizona	458
Sun, N. O.	3,667	Secretary Brooks	100,548
	77,814	Prev. yr.	109,643
Prev. yr.	85,886	Franklin of D. C.	328
Wayman and Henry	197,545	Prev. yr.	95
Prev. yr.	240,767	Commercial Union, N. Y.	3,954
Ætna	194,127	Commercial Union, London	41,522
Prev. yr.	229,507	Palatine	18,966
National Union	126,696		64,442
Prev. yr.	151,818	Prev. yr.	76,344
Northern Assurance	119,493	Glens Falls	15,361
Prev. yr.	153,550	Security	13,007
Continental	78,058	Girard F. & M.	12,086
Fidelity-Phenix	42,472	New Haven Under.	4,775
	120,530		45,229
Prev. yr.	113,488	Prev. yr.	60,571
Springfield F. & M.	95,979	New Hampshire, (3 mos.)	5,642
Newark Fire	4,312	Alliance	17,761
	100,291	Ins. Co. North America	74,478
Prev. yr.	116,344		92,239
New Zealand	117,801	N. Y. Underwriters	24,123
Prev. yr.	145,600	Teutonia	10,239
German Fire, Ill.	7,703	Home Fire of Utah	5,163
Prev. yr.	10,814		39,525
Concordia	44,410	Prev. yr.	29,508
German, Wis.	22,232	Dubuque F. & M.	26,042
	66,642	Merchants Fire Ins. Co.	4,002
Prev. yr.	61,516		36,042
Caledonian	14,826	Prev. yr.	39,034
Caledonian-American	40	Republic Underwriters	24,838
Aachen & Munich	602	Prev. yr.	24,264
	15,468	International Fire	5,676
Prev. yr.	13,025	Prev. yr.	7,969
Scottish Union & N.	46,676	American, Newark	33,044
State Assurance	28,948	Rochester German Underw.	15,886
	75,624		48,930
Prev. yr.	58,122	Prev. yr.	49,738
		American Union	31,153
		Prev. yr.	17,321

**San Francisco City Fire Premiums—
Concluded**

Atlas Assurance	46,662
Prev. yr.	47,089
Los Angeles	2,356
Occidental	561
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	2,917
Prev. yr.	2,776
Dixie, etc.	76,571
Prev. yr.	106,084
New Jersey Fire	21,018
Assn. U.	112,464
Prev. yr.	144,247
Franklin, etc.	36,225
Prev. yr.	42,238
Westchester and Camden	32,289
Prev. yr.	43,291

To Increase Hartford Fire's Capital

A Connecticut bill provides for an increase in the capital of the Hartford Fire up to \$10,000,000, and to authorize it to insure wind, hail and sprinkler leak damage, and to insure automobiles also.

St. Louis losses average 46 percent. Premiums are about 3 millions, or considerably less than those of San Francisco. But St. Louis is a brick-built city, and in former years it was a sink-hole for insurance money.

Insurance journalism has lost a brilliant chance. John H. Schively, recently Washington's state insurance commissioner, has become the special representative of the Columbus Securities Co. of N. J., which is the octopus reaching out for life companies that are N. G. Our John's headquarters will be in New York, whose temptations will assail him in vain. Schively's heart will always be true to the Pacific Coast.

January was an average fire loss month.

California Fire Business in 1912

	Premis.	Losses Incurred
Home	\$878,094	\$304,928
Royal	716,067	242,807
Queen	346,924	152,102
Ætna	561,607	172,776
Liverpool & London & Globe	612,340	156,829
Firemans Fund	540,633	214,584
National	350,749	113,303
Colonial	95,783	22,632
Mechanics & Traders	38,054	11,809
Fire Associations	151,727	38,161
Philadelphia Underwriters	75,775	34,644
Pennsylvania	192,877	67,361
American Central	127,371	38,659
St. Paul	138,723	52,438
Mercantile	3,564	7,151
Minnesota Underwriters	11,378	3,526
Mercantile F. & M. Underw.	13,911	1,276
Springfield	360,349	126,259
Newark	24,906	5,307
City of New York	62,981	21,530
Norwich Union	14,581	1,742
Scottish Union	151,032	54,645
State Assurance	11,148	3,301
Union Assurance	205,545	99,018
London Assurance	371,851	124,441
Vulcan Fire	29,869	1,018
Dubuque	53,809	16,937
Law Union & Rock	86,055	30,703
Yorkshire	42,620	1,134
Atlas	215,979	65,151
Niagara	219,549	79,870
Niagara-Detroit	44,127	11,088
Detroit	1,224	
Svea	96,720	51,054
Agricultural	147,643	50,792
Globe & Rutgers	129,535	61,378
Globe-Underwriters	11,119	2,627
Hamilton	7,431	657
American Union	85,095	24,194
Franklin of Wash., D. C.	7,441	1,566
Prov-Wash.	109,468	32,636
London & Lancashire	249,973	66,647
Orient	79,050	23,698
N. Y. Underwriters	191,997	86,437
Teutonia	40,741	12,291
Home of Utah	15,543	7,420
Western Assurance	105,391	41,863
Caledonian	130,355	41,198
Scotch Underwriters	9,120	4,739
Caledonian-American	5,844	358
Aachen & Munich	3,237	
National Ben Franklin	79,961	26,851
United Firemens	42,689	25,054
Dixie	51,374	38,121

Sun, London	265,120	79,606
Michigan	52,347	24,418
Humboldt	9,022	63
Phoenix Assur.	218,644	79,211
Pelican	29,684	11,536
American, N. J.	153,741	50,424
Rochester-German Under.	99,773	35,581
Nortwestern National	171,337	56,314
Connecticut	260,492	101,228
Los Angeles Fire	26,254	4,840

American Ins. Co.

Statement of January 1st shows \$6,363,168 gilt-edged railway and other bonds and stocks, and a total of \$9,866,174 assets, \$4,780,327 unearned premium reserve, \$300,000 special reserve funds, and \$3,135,102 net surplus.

The assets increased \$521,740, and the net surplus is \$172,554 more than a year ago.

The increase in unearned premiums was \$266,777, which indicates a good increase in new business.

Premiums written amounted \$3,934,061, a gain of \$363,063. The American may therefore now be classed as a company with \$10,000,000 assets and \$4,000,000 premium income.

Out here on the Pacific Coast the American, under Gordon & Hoadley, has steadily increased its premium income and made money since the great fire.

Marine.—The Atlantic Mutual, as long rumored, has come to the Pacific Coast and will endeavor to pick out risks that will not collide, burn or sink, and gobble them all. Denied the choice risks, the stock companies should not write any left-over business of the insured which place their preferred business with this marine mutual.

Personal.—Manager Irving of the Phoenix Assurance returns from Honolulu next week.

Personal.—Arthur Brown of Edward Brown & Sons has been visiting the Hawaiian Islands.

Marine.—At Lloyd's sanity is returning. The White Star line Olympic has been written at 30s instead of 15s as formerly. The Titanic is not yet forgotten.

Fire.—Praise for the fine showing made by the Fireman's Fund in its annual statement is universal.

Oregon will not engage in life insurance—not yet.

First National Fire of Washington

Stovel Appointed General Agent

The new First National Fire Insurance Company has entered California and Nevada, with C. J. Stovel as general agent. Applications for agencies are invited. The First National has just undergone an investigation and examination and its organization and statement of resources have been officially approved.

The assets are \$969,377, of which amount the capital fully paid up is \$320,675 and the capital partly paid up is \$167,612, making the cssh capital \$488,287. Other liabilities are of course nominal, as the company has only recently begun business.

The net surplus is \$464,179, making the surplus as regards policyholders \$952,466. Examiner S. H. Wolfe attests these figures.

In its annual statement the First National very frankly sets forth all the facts that are needful for the agent and the insured to know. The company starts with a very substantial cash capital and handsome surplus funds.

Commercial Fire Insurance Company

A very satisfactory statement of this Washington (D. C.) company is printed on page 74 of our advertising department. There has been some talk about this company, which has been doing some unique advertising. The figures are attested by Examiner Wolfe.

This is the 22d annual statement. The total assets are \$925,751, of which the net surplus is \$243,560 and the policyholders' surplus is \$704,179. The cash capital is \$460,619.

Among the assets we note \$10,000 city of Seattle bonds. Also, cost price of one-half of equity in realty, and also value of Southern Building equity over purchase price, as fixed by the official appraisement of the insurance department of the District of Columbia. This purchase has been the subject of congressional investigation, and the official appraisement has been sustained on the basis of locality and rentals received; but even if this increased valuation over cost were eliminated the Commercial Fire would still have a clear net surplus over its \$460,619 paid-in capital.

The company is doing a fair amount of business necessitating \$165,550 unearned premium reserve; and entrance into new territory is probable.

LIFE INSURANCE

Northern Life of Seattle Gains

General Manager Morgan informs us that during 1912 the Northern Life Insurance Company added \$140,000 to its assets, \$116,000 to its reserves and made a net gain of \$29,000 in surplus after paying a 3 percent semi-annual dividend on the capital stock.

California National

The California National Life of San Diego now has \$314,747 assets, \$250,000 capital; \$289,236 surplus to policyholders. Income last year was \$84,140, with \$58,787 total disbursements. Premiums were \$51,241. New business in 1912 was \$1,343,054. Amount in force is now \$2,170,704. This is a good showing for a new company.

Myopic, Maladroit Merger May-be Muzzled

The Cincinnati politicians may not execute their coup after all. There are objections to the absorption of their Hartford Life by their Missouri State Life. The assessment branch policyholders fancy there is an odor coming from the woodpile. The interested state insurance commissioners are making inquiries. Why not ask Boss Cox some questions?

Roche Arrives

John F. Roche, the industrious and unfatigueable, has become the vice president and general manager of the Manhattan Life of New York. After San Francisco's fire he resigned the position of vice president and actuary of the Pacific Mutual Life and returned East, where he has since been doing some good work as an independent examiner of companies. We congratulate the Manhattan Life on this appointment.

Mutual Life's Waiver of Premium Clause

If the assured before age 60, and while his policy is in full force, furnishes proof of his permanent and total disability by bodily injury or disease, the Mutual Life will waive premiums thereafter during such disability.

Blindness and loss of two hands or feet, or one hand and one foot, will be considered as total disability.

The additional premium is deducted after payment a stipulated number of years. The additional premium may be inferred from these sample rates:

Age	Ord.	20-p.	20-endt.
25	\$0.26	\$0.19	\$0.21
30	.30	0.20	0.25
35	.35	0.24	0.29
45	.60	.48	.49
55	1.50	1.50	1.50

A totally disabled breadwinner is worse than none, and it is absurd to ask him to pay premiums to indemnify his family for his "loss" by death.

From Los Angeles to Chicago for the Travelers, I. J. Muma has resigned.

The American National has started in St. Louis, with W. Parsons, formerly of San Francisco, as agency manager.

Supt. Emmett of New York calls public attention to the fact that fraternal insurance has in recent years become "commercialized" with very expensive methods of securing business and therefore now have little or no advantage in this respect over the old line companies.

The new policy form of the Mutual Life makes it clear that paid-up additions are participating.

The Americans, an order which reinsured a humbugging "society" of the same name in San Francisco, has been expelled from West Virginia. This Springfield frame-up smells.

LIFE, CASUALTY, ETC.

LIFE NOTES

Doing Well.—In 1812, the first year on the legal reserve basis, the Bankers Life of Des Moines wrote \$18,000,000 new business.

Perez F. Huff of the Union Central Life wrote over \$1,000,000 for the company in 1912 and placed nearly \$2,000,000 with other companies.

The New York law limiting new business will probably be further amended soon.

Last year the Coast Review published more California life statistics than all other insurance journals combined.

Among recent death claims paid by the Mutual Life Ins. Co. of New York are these:

Frank L. Felter, Los Angeles	\$ 5,000
W. P. McIntosh, Glendale, Cal.	8,050
O. B. Dunn, Camarillo, Cal.	5,000
Henry Jonas, Great Falls, Mont.	18,495
J. S. M. Neill, Helena, Mont.	9,500
Abraham Frank, Sundance, Wyo.	5,000
Alvin M. Lothrop, Washington, D. C.	47,247

The Mutual Life has paid \$500,000,000 death claims and \$125,000,000 matured endowments. This company now has "a waiting list," it being obliged to turn down applications in excess of the \$150,000,000 legal limit.

SURETY

J. Collins Lee, formerly with the American Bonding in the East, has been selected to take charge of the security department of the London & Lancashire Guarantee & Accident on this Coast. He will arrive in San Francisco early in March. Mr. Lee has had an extended experience as a surety underwriter. Frank F. Wood takes charge of the liability department. Mr. Wood for fourteen years past has been office manager for Seely & Co., general agents for the Fidelity & Casualty Co. at Tacoma and Seattle, and is familiar with all casualty lines.

Workmen's Compensation Rating Bureau Bill

California S. B. 1090 provides for a state bureau of rating for insurance covering workmen's compensation liability. Inexperienced men will of course make the rates. The regular companies are to accept the rates thus made by this sop to socialism. Quarterly reports must be made by all in-

surers. No other liability shall be covered by the policy.

American Surety Co. of New York Had a Good Year

During 1912 this leading American surety company paid 2,371 claims or nearly 200 a month. This is about one claim every business hour in the year.

The net premium receipts of the American Surety Company during 1912 amounted to \$2,838,162, an increase of \$338,504 over the previous year. This large premium income represents surety premiums only, the company not writing other lines.

During the year the number of local representatives increased 1,500, bringing the total up to 11,500, who report through forty branch office managers. These branch men are under the supervision of the three district managers, located one each at San Francisco, Chicago and New York. These district managers are themselves responsible to the heads of departments at the head office.

This great surety company's assets are now \$8,754,381, a gain of nearly a million. The net surplus is \$1,255,766 and the policyholders' surplus is \$6,255,766, a gain of nearly half a million. The reserve for reinsurance is \$1,659,388, against \$1,454,037 at the date of the previous annual statement. This gain indicates a large increase of new business.

The capital stock has been doubled and is now \$5,000,000. The company has had an experience of over a quarter-century. It maintains a private wire from the head office to its Western branches.

The financial strength of the American Surety is greater, its qualifying power under federal and state regulations is larger, and its agency organization is more extensive, than that of any other surety company.

R. D. Weldon is manager for the Pacific Coast, and Brantley W. Dobbins is manager for northern California and Nevada, with headquarters in the Merchants National Bank building, San Francisco.

You can now get \$30,000 accident insurance in the Pacific Mutual.

The American Indemnity of Baltimore, new, is to be an active competitor of the Fidelity & Deposit.

28th Annual Statement of the Pacific Surety Company

The admitted assets of the Pacific Surety Co. of San Francisco are now \$747,519. This is a very creditable gain of \$121,572 in the year.

The cash capital is \$300,000 and the net surplus is \$101,582. This makes the policyholders' surplus \$401,582. The surplus funds gained some \$8,200.

The reinsurance reserve has advanced from \$145,330 to \$218,225. There has been a large gain in new business. The special reserve for unpaid liability losses has been increased from \$28,409 to \$54,971.

The Pacific Surety has \$100,000 deposited with the state of California for the protection of all policyholders. The company has always borne a good reputation. The present management is honest, conservative and efficient.

Columbus Securities Co. Receivership

Mandy Rawson, stenographer and bookkeeper, has successfully applied for a receivership for the Columbus Securities Co., which owed her a year or so salary. "We told you so." Sometime ago, receiving no answer to our civil inquiries for information, we said this concern was no good. This concern has been selling stock and buying up and consolidating weak life companies, such as the Empire Life of Seattle and the Anchor Life of Indianapolis. One of the stock salesmen has also sued the company.

Pacific Coast Casualty

The Marshal Frank holdings of the capital stock of the Pacific Coast Casualty Co. have been purchased by other stockholders, who now have three-quarters of the stock. An increase of capital is among the probabilities. The company is to be strengthened and its business will be increased.

California Mutual Workmen's Compensation Bill

S. B. 1089 provides that employers may combine to insure against liabilities imposed by workmen's compensation laws. No policy shall be issued unless 200 or more employers apply for \$1,500,000 insurance. Mutual liability for excess losses must be fixed in the by-laws. A quarter of the annual profit must be transferred to surplus

Expenses are limited to 30 percent of the gross premium receipts. No officer or risk-passer shall receive any commission. Any member may withdraw on 30 days' notice.

Union Central Life Insurance Company

The present administration took charge in 1906. During these seven years the assets have increased \$43,542,316, and the insurance in force has increased \$113,918,511.

The Union Central Life Ins. Co. of Cincinnati is now nearing the one hundred million post in assets. It will reach it in a few months. On January 1 the assets were \$93,053,614. A gain of some \$6,000,000 was made in 1912. The gross surplus gained about half a million and is now \$4,097,545.

In the past year the new and revived insurance was \$48,352,908, a gain of \$10,000,000. Policies in force are \$347,939,204, a gain of \$26,479,838. The growth of this company is perhaps best shown by the gain of nearly \$1,188,400 in income, bringing the total up to \$17,289,602, of which sum over half was returned to policyholders. Dividends to annual dividend policyholders were \$1,825,356. The statutory reserve was increased \$4,844,739 and the increase in dividends apportioned for 1913 over the amount for 1912 was \$478,962.

Hayes Appointed

Manager Chown of the Frankfort General Ins. Co. has appointed Wm. B. Hayes chief of the claims department. Mr. Hayes was general agent of the American Fidelity Ins. Co. while that company operated in this field.

New appointments by Manager Duncan for the Globe Indemnity are—John Ker & Co., Portland, representing all lines; Martin & Miller, North Yakima, Wash.; Paxton Bros., Walla Walla, Wash. Harry W. Lobb, executive special, is in San Francisco, making his headquarters at the office of the Pacific department.

Surety.—The National Surety lost its resisted claim in the U. S. district court, in the case of the Western Pacific R. R. Co., which sued it for money lost by the failure of the California Safe Deposit bank. The defense was that the notice of bankruptcy, which occurred during the scrip-money period, was not immediate.

CHIPS

—Life.—We print in our Legal Digest one life case.

—Life.—The Modern Woodmen of America order is certainly nearing the cliff edge of failure.

—This year the umbrella crop in California, thus far, has been a failure. Few have been raised.

—Fire companies very generally show an increase of surplus funds, despite the fall in market quotations of liquid securities.

—The school trustees of Berkeley, Cal., knowingly gave the school property insurance to companies that made a bad record in the payment of San Francisco 1906 losses.

—Life.—Why doesn't the Pittsburg Life pay that reinsured death claim of the Security L. of A.? After February 28 the amount is to be disallowed as an asset.

—Fire.—California is threatened with a state rating bureau. This would result in decreased insurance protection and ultimately in increased insurance cost. Fire losses always increase where insurance boards are illegal or legally hampered.

—Life.—A high pressure and generally unsatisfactory business in the past is the verdict of the state insurance examiners in the case of the Security Life of America of Chicago. We wonder what would they say of the Western States Life.

—Figures filed at this time indicate that the life business on this Coast in 1912 was excellent in volume and no doubt equally so in quality. Business was good in despite of wrangling quadrennial politics. We have not heard that any ambitious life man broke into the hells of congress or legislature.

—Accident.—In our Legal Digest are two accident cases.

—Marine insurance decisions are not numerous in this country. Neither are American ships.

—Santa Rosa, Cal., supplies its citizens with "free" water for domestic use. The authorities, evidently, wish to encourage bathing.

—The Insurance Company of North America is offering insurance on parcels sent by parcels post, in sums ranging from \$1 to \$150.

—The free nursing service of the Metropolitan Life Ins. Co. is now operative in more than 1200 towns. Last year the nurses made 960,000 visits, the cost to the company being about \$450,000.

—A contributor to a Montreal paper writes that in Manitoba there are eleven licensed foreign insurers and not one has a policyholders' surplus of \$10,000, and two are impaired.

—The Home of New York wrote \$12,411,470 fire premiums in 1912, with \$6,588,823 losses. Marine premiums, \$612,700, with \$291,223 losses. Total premium income, \$13,024,170, a gain of about \$300,000. Loss ratio, 53.

—There is no better reason for taxes on premiums than for taxes on sales or taxes on bank deposits. Nothing better illustrates the foolishness of legislation than the premium tax—excepting always the valued policy law.

—San Francisco.—Manager Olds of the Caledonian and Aachen & Munich has made an entrance to his office on Halleck street, at 231, whereby passage is given to California street.

Leidesdorff street has another "life-saving station," which is greatly appreciated by us Western and other folks.

—Life.—Geo. B. Scott, manager of the Pacific Coast head office of the Metropolitan Life, has been elected president of the Life Underwriters Association of San Francisco for this year. Whoever has met this bonny Scott will agree with us that no better selection could have been made. Tales of the annual meeting make us regret anew the engagement in Alameda which prevented a return in time to be present.

—Marine.—Already in 1913 the marine underwriters of seagirt Great Britain are complaining of extraordinary losses. In January the "Lamport" and "Veronese" were lost and two other large steamers were wrecked. The total of losses recorded in one day—Friday, of course—was some \$2,000,000. For 1912 the losses are estimated at \$30,000,000, which does not include small losses. Sailing vessels were responsible for only 6 percent of this total, a small proportion which illustrates the decreasing importance of wind-wafted freightage. Five years' marine losses of the larger sort are estimated at \$149,000,000.

—San Francisco Fire Business.—The decline in city premiums in 1911 was about \$300,000, and in 1912, about \$500,000. The leader is the Liverpool & London & Globe, with \$295,919; the Home is second, with \$273,370; the Royal third, with \$205,478. These three are the only companies with more than \$200,000 San Francisco premiums. Our 5-year table elsewhere gives interesting comparisons. The foreign companies transact over 35 percent of the total business, as in the previous year. Nearly all the companies report fewer premiums than in 1911. Rates were reduced in 1911 and in 1912 and further reductions are expected in 1913, on the completion of the auxiliary high pressure system.

—Oregon, Washington and California inoculated with the scab of socialism, propose to engage in life insurance as well as workmen's compensation. Why not banking and baking?

—Los Angeles.—The Great Republic Life has been licensed. Its officers are: Gen. Adna R. Chaffee, president; Ed Tedford, secretary; F. M. Cruzen, second vice president and agency director.

—Very yellow indeed are the sensational arson articles in *Colliers*, a paper which must be sensational or die. At the outset the superficial special writer declares that fire losses in this country are increasing nearly four times as fast as the population gains; whereas, the fire losses, year after year, 1906 excepted, average \$3 per capita. A few years ago, a year late, this lying weekly had California overrun with plague-infected squirrels and the country was warned that the disease would surely spread east and cross the Mississippi.

The local agents association of California has framed up two bills either of which is guaranteed to kill the other. One limits agents to two for each company in cities of 100,000 or less population. The other prohibits "underwriters." Another bill requires every policy to be written by the resident agent. Still another bill is designed to prevent "rate wars" in one town, thereby "heaping an unjust burden of insurance tax on one location." This is a rating bill declared to be "purified in the crucible of experience." Putting aside this flowery language as hardly to the point, we venture to remind locals that they themselves are chiefly responsible for these town rate wars. Their special pleading for these laws seems to ring some tone of hostility to the companies.

—The number of policies in force in the Metropolitan Life exceeds the entire population of the North American continent west of 105 degrees longitude. In thirty years it has developed from 341,632 policies outstanding to 12,837,042, and from \$43,245,752 outstanding insurance to \$2,604,966,102.

—Mutual Interests for January prints a picture of Fritz Stenzel, rancher at San Lorenzo, near San Francisco, who is insured for \$75,000 in the Mutual Life. The insurance was written by W. A. Wann, dist. supt. at Oakland, and C. D. Hough, special agent at near-by Hayward, of Manager Hathaway's agency force.

—The Northwestern Mutual Fire Assn. of Seattle wrote \$23,747 San Francisco fire premiums last year. California premiums were \$143,427, with 15.4 per cent losses incurred. Coast premiums were \$568,444, with 23.4 percent losses incurred.

—In California in 1863 there was 13.74 inches rainfall, and in the following year only 10.08 inches. This is the only time since 1850 that there were two successively very light rainfall years. In 1912 there was only 14.06 inches rainfall. It now seems probable that this season will also be deficient in moisture.

—Southern California. — Present advices are to the effect that damages to citrus fruits were less than reported after the unusual freezing weather. Damage to the trees, on the average, is now estimated to affect not more than a fourth. Lemon trees, however, will have to be "cut back" in large numbers. This means a great falling off in lemon production for two or three years. San Bernardino has just made a fine orange exhibit.

—The San Francisco Life Ins. Co.'s statement is a very satisfactory one.

—The Western States Life shows reduced expense ratio.

—The West Coast Life makes the best statement in its successful history.

—Field Men's Notes.—General Agent Geo. H. Tyson reports changes in field force: Special Agent F. O. Vincent, formerly of the central California district, has been transferred to the eastern Washington and Idaho field, to succeed V. B. McDowell, with headquarters at Spokane. Companies represented are the German American of New York, Phoenix of Hartford, German Alliance of New York and Equitable Insurance Alliance.

Rolin Mears Kelley, for many years with the Board of Fire Underwriters of the Pacific, is now with the Norwich Union as special agent for northern and middle California and Nevada. Rolin is an agreeable chap who has made many friends in the business and will doubtless do well for his company.

The Northern Assurance has appointed E. C. Fotheringham special for eastern Montana, Utah and eastern Idaho, with office in Helena, to succeed J. D. Breedem.

—Los Angeles.—The Pacific Mutual Life is planning for a great agency convention in fair 1915, meeting in both San Francisco and Los Angeles. The company will pay all expenses of qualifying agents.

—San Francisco.—President Muddox of the Capital Fire announces the appointment of H. M. Schmidt as the company's agent, with offices at 237 Sansome.

—Oregon.—The insurance code will not be revised by this session of the legislature.

Revised San Francisco Conflagration Losses

We hoped to be able to print this month our final revise of the 1906 fire loss payments in San Francisco, but are compelled to defer it until our next issue. Proofs have been submitted to all the companies, except the dead and bum.

The California Insurance Company

Increase in net surplus, \$42,108, after paying \$60,000 dividends to stockholders, and writing off for depreciation the sum of \$22,000. Such is the very satisfactory record of the California Insurance Company for 1912.

The assets are \$1,278,845. The real estate valuation has been reduced \$5,000, and \$5,000 has been taken off the value of "all other assets." The net surplus is now \$295,338, making the surplus to policyholders \$695,338. For every dollar of liabilities there are more than two dollars of assets.

We particularly congratulate President Dean and Secretary Brooks on this excellent showing.

Commercial Union Specials Meet

The recent meeting of the field men of the Pacific department of the Commercial Union and Palatine, in San Francisco, was a comparison of experience and an exchange of useful suggestion, and also an occasion for congratulation on the good results of 1912's business on the Coast.

Coast Fire Business

We now have over \$2,000,000 premiums reported to us, with 37 plus loss ratio. The decline in premiums is nominal if any.

Scottish Union & National

Assets, United States branch \$5,595,684, a gain of \$286,861; surplus \$3,267,465, a gain of \$238,320. This is a good showing.

Los Angeles Fire

This company now has \$351,484 assets, \$243,500 capital paid up, \$35,133 reinsurance reserve, and \$65,277 net surplus. Assets gained some \$47,000, and reinsurance reserve more than doubled.

West Coast Life

The West Coast Life Ins. Co. of San Francisco has made a very satisfactory report to its directors, covering the month, with comparisons of previous years. Income increase has been notable and there has been a regular and sometimes extraordinary decrease in expense ratio. The monthly operating profit has become large, and the income increase for the year has steadily advanced from \$91,497 in 1907 to \$150,674 in 1912, when the total income was \$738,746.

Both the home office and the field expense ratios have fallen off very much since 1907, and every year shows a favorable decline in both respects.

The ordinary department gained \$590,878 in new business in 1912, and brought the total in force up to \$11,300,000.

In both ordinary and industrial departments the business in force is \$17,948,000, a gain of \$3,514,000 in the year. The total issued was \$10,203,000, a gain of \$1,059,000.

Theft.—Every once in a while firemen are caught stealing, but as a rule, though politicians, these city employees are honest. A New York fire commissioner, himself of course a politician, accuses underwriters' fire patrolmen of theft, and he wants authority to appoint politicians in their places, but have their salaries paid by the underwriters. He is a Gaynor man too and the author of the fake "arson exhibit."

The Insurance Law Journal for January prints in full the Washington s. c. decision in *Hatcher v. Sovereign Fire*. This number contains 200 pages

California Life Business in 1912

Pacific Mutual	\$6,400,247
Prev. yr.	5,587,566
California National	1,046,547
Prev. yr.	966,973
West Coast	2,291,312
Prev. yr.	1,727,973
Occidental	2,161,210
Prev. yr.	2,113,795
Travelers	2,322,873
Prev. yr.	2,016,520
Home	559,274
Prev. yr.	536,388
Metropolitan	5,081,629
Prev. yr.	4,333,726
National	727,000
Prev. yr.	497,000
Mutual Benefit	2,484,070
Prev. yr.	2,013,129
West. States	4,419,350
Prev. yr.	3,529,175
New England	1,241,703
Prev. yr.	978,781
Phoenix	985,727
Prev. yr.	791,993
New York	6,315,728
Prev. yr.	4,749,301
Fidelity	560,982
Prev. yr.	492,981
Mass. M.	869,221
Prev. yr.	471,162
Ætna	2,352,433
Prev. yr.	2,642,744
California State Life	7,361,500
Columbian National	545,648
Prev. yr.	686,792
Germania	712,547
Prev. yr.	717,025
Pittsburg	1,505,658
Prev. yr.	917,294
Provident	1,542,134
Prev. yr.	1,324,750
Prudential	4,434,769
Prev. yr.	3,235,635
San Francisco	3,996,086
Prev. yr.	1,368,000

Union Central	1,269,950
Prev. yr.	994,700
Union Mutual	269,000
Prev. yr.	128,500
Scranton	1,066,360
Prev. yr.	1,013,500
State	374,205
Prev. yr.	530,287
Industrial—	
Metropolitan	6,954,093
Prev. yr.	6,368,509
Prudential	5,610,506
Prev. yr.	4,711,452
West Coast	2,936,365
Prev. yr.	2,736,425
Total in 1912	15,500,964
Total in 1911	13,816,386

Liverpool & London & Globe

The United States branch of this big company has \$13,739,219 assets and \$4,015,973 surplus.

The Sun

The United States branch of the Sun of London now has \$4,622,987 assets and \$1,243,000 surplus. Assets and reinsurance reserve made considerable gains.

Exemption of Personal Insurance Premiums from Income Taxation

A press dispatch says that Mr. Wilson in his first message will urge a \$4,000 income tax but will recommend that \$500 or less paid for life, accident and health premiums shall be exempt.

President Cochran of the Pacific Mutual Life, interviewed as to this dispatch, expressed the hope that the exemption would be made. "In England," he said, "exemptions are permitted from assessments from income tax to the amount paid for life insurance, but limited so that the amount exempted shall not exceed one-sixth of the net income liable to tax." In a recent year the income thus deducted amounted to about \$50,000,000.

The "Conference Consciousness" was the subject of a paper read at the midwinter meeting of the Detroit-Conference. This demonstrates the practical nature of the conferring.

PACIFIC WEST FIRE BUSINESS

Coast Fire Business in 1912

	Premis.	Losses Incurred
California	\$ 486,112	\$151,185
Northwestern National	376,045	146,706
Home of N. Y.	1,526,118	592,787
Royal	1,223,922	452,763
Queen	619,444	294,011
Michigan Commercial	93,878	35,574
Etna	1,050,609	362,173
London & Lancashire	471,801	145,186
Orient	176,428	70,450
Springfield	714,060	305,403
Newark Fire	55,473	7,905
Sun	468,786	177,235
Michigan F. & M.	97,189	40,770
London	745,859	297,008
Union Assurance	373,689	210,060
Firemans Fund	1,364,514	717,463
Niagara	457,238	217,763
Niagara-Detroit	82,255	33,291
Detroit F. & M.	2,577	
Connecticut	498,526	213,746
Atlas Assurance	471,875	173,471
British America	36,076	19,831
Western	171,209	85,632
Providence; Washington	180,471	72,021
Pennsylvania	308,379	139,333
National	920,430	309,872
Colonial Fire Und.	229,471	84,503
Mechanics & Traders	70,391	26,252
Fire Association (F. Avery)	167,968	43,088
Fire Association (Pacific West)	445,861	169,240
Philadelphia Und.	86,480	39,058

Enters California

The Northwestern F. & M. of Minneapolis has been licensed in California. It enters the office of the Norwich Union, with J. L. Fuller as manager.

Personal.—Norman McLaren, auditor for a number of insurance offices in San Francisco, met with a severe accident this week. While peering into an elevator in the Tevis building, through an open door, he was struck in the face by a descending elevator, which broke his nose and otherwise injured him.

Marine.—The Firemans Fund has issued a list of vessels owned on the Pacific Coast, now ready for free delivery.

The Connecticut Mutual Life is now issuing its new revised policy. Extended insurance is now automatic.

New York Und.	362,366	150,533
Teutonia	79,067	26,861
Home of Utah	24,213	9,882
Vulcan Fire	34,787	1,144
Svea	229,709	129,175
Agricultural	260,661	108,598
Globe & Rutgers	261,588	115,202
Globe Underw.	24,793	7,588
Hamilton	9,890	821
Scottish Union	164,995	56,494
State Assur.	738,965	3,300
Norwich Union	210,807	112,203
L. & L. & Globe	962,988	345,685
Law Union & Rock	176,932	81,753
American Central	306,335	133,856
St. Paul	341,424	163,546
Mercantile (Retired)	13,321	21,771
Minnesota Underw.	27,793	9,566
Mercantile F. & M. Undw.	35,593	6,694
American Union	150,144	40,753
Franklin	20,246	4,557
National Ben. Franklin	79,961	26,851
United Firemens	42,689	25,054
Dixie	51,374	38,121
Humboldt	9,022	63
American, N. J.	234,181	113,730
Rochester German Undw.	171,482	92,284
Commercial Union,		
London	367,002	102,067
Palatine	235,263	103,560
Commercial Union, N. Y.	29,436	7,365
Phoenix Assurance	379,669	162,776
Pelican	51,805	23,997
Los Angeles Fire	40,058	8,252

Rolla V. Watt

Premiums \$1,843,366; losses incurred, \$746,774; loss ratio, 40 percent. Premiums in 1911, \$1,936,003.

Watson & Taylor

Premiums, \$62,981; losses, \$21,529; ratio incurred, 34. In 1911, \$34,684. California only.

C. de Veuve

Premiums, \$60,733; losses incurred, \$16,937; loss ratio, 27. In 1911, \$71,540.

Imperial

Premiums \$81,118; losses incurred, \$57,995, 71 percent. Premiums in 1911, \$95,579.

North British & Mercantile

For the North British of London, the North British of New York and the Commonwealth of New York, \$797,275 premiums, with \$278,699 losses incurred or 35 percent. Premiums in 1911, \$723,695.

The Aetna

Premiums, \$1,050,609; losses incurred, \$362,173, or 34.4 percent. Premiums in 1911, \$1,072,045.

E. T. Niebling

Premiums, \$631,701; losses, \$212,992, a loss ratio of 33.7. In 1911, \$634,336 premiums.

Wayman and Henry

Premiums, \$1,794,232; losses incurred, \$638,632, or 35.5 percent. Premiums in 1911, \$1,894,053.

James Wyper

Premiums, \$648,229; losses incurred, \$215,636, or 33.2 percent. Premiums in 1911, \$667,062.

Geo. W. Dornin

Premiums, \$769,533; losses incurred, \$313,309, or 40.7 percent. Premiums in 1911, \$708,883.

Home of New York

Including Colorado, total premiums in the Pacific West, \$1,526,118; losses incurred, \$582,877; loss ratio, 38.1. Premiums in previous year, \$1,582,854.

Liverpool & London & Globe

Premiums, \$962,998; losses, \$345,685; ratio incurred, 35.8. In 1911, \$1,039,816.

Christensen & Goodwin

Premiums, \$724,466; losses, \$335,433; loss ratio incurred, 46.3. In 1911, \$729,125.

Geo. H. Tyson

Coast premiums, \$1,433,533; losses incurred, 38 percent. In 1911, \$1,464,852.

J. F. Cobb

Premiums, \$183,047; losses incurred, \$90,089, or 43.7 percent. In 1911, \$106,084.

Edward Brown & Sons

Coast premiums, \$786,642; losses incurred, \$361,386, a loss ratio of 45.6. In 1911, \$844,304.

H. R. Mann

Premiums, \$465,647; losses incurred, \$187,278, or 40.2 percent. Premiums in previous year, \$505,905.

W. L. W. Miller

In Alaska, Hawaii, Nevada, Oregon, Washington and California, \$207,285 premiums and \$105,463 losses incurred, a loss ratio of 50.9 percent. In 1911, \$221,759. The British America does not write in California.

Vulcan Fire

Premiums, \$34,787; losses incurred, \$1,144; loss ratio, 3.8.

Firemans Fund

Premiums, \$1,364,514; losses incurred, \$717,463; loss ratio 52.5. Premiums of the Pacific department in 1911, \$1,512,633. Includes Texas and Arkansas, which report to San Francisco.

London Assurance

Coast premiums, \$745,858, and losses incurred, 39.8 percent. In 1911, \$644,339.

Atlas Assurance

Premiums, \$471,875; losses incurred, \$173,471, or 36.7 percent. Premiums in 1911, \$481,678.

Connecticut Fire

Premiums, \$498,526; losses, \$213,746, or 42.8 percent incurred. Premiums in 1911, \$508,384.

Edwin Parrish

Premiums, \$542,070; losses incurred, \$251,055, or 46 percent. Premiums in 1911, \$567,908.

Law Union & Rock

Premiums, \$176,932; losses, \$81,753; loss ratio incurred, 46.2. In 1911, \$171,849.

Norwich Union

Premiums, \$210,807; losses incurred, \$112,203, loss ratio, 53.2. In 1911, \$225,954. Does not yet write in San Francisco.

A. C. Olds

Premiums, \$326,861; losses incurred, \$138,295; loss ratio, 42.3. In 1911, \$331,944 premiums.

Catton, Bell & Co.

Premiums, \$373,689; losses incurred, \$210,060; loss ratio, 56.2. In 1911, \$429,509.

H. W. Fores

Premiums, \$176,143; losses incurred, \$59,795; loss ratio, 33.9. In 1911, \$185,800.

Pennsylvania Fire

Premiums, \$308,379; losses incurred, \$139,334, or 45 percent. Premiums in 1911, \$419,250.

T. J. A. Tiedemann

Premiums, \$20,246; losses incurred, \$4,557, or 22 percent. Premiums in 1911, \$3,710. Retired company's figures not included.

J. F. D. Curtis

Premiums, \$180,472; losses incurred, \$72,021, or 39.9 percent. In 1911, \$103,732.

Chapman & Nauman

Premiums, \$150,144; losses incurred, \$40,753; loss ratio, 27.1. In 1911, \$45,635, one month's business.

The Case for Lloyds Examined

From the Policyholder of England

Not a single member of Lloyds has elected to place before the public, through the medium of the Board of Trade, a "statement showing the extent and character of the fire and accident insurance business effected by him," as required by the assurance companies' act of 1909, but 511 members have selected an alternative but more cumbersome method, which, however, avoids all publicity. Why?

That question has appeared in our columns on more than one occasion, and now for the first time an answer is forthcoming. In the Manchester Guardian of December 28 "The case for Lloyds" is presented by a correspondent. We do not know what authority is possessed by the Guardian's correspondent, but he says Lloyds underwriters were prepared to publish their accounts "if the companies agreed to disclose the amounts of their securities deposited abroad for the sole benefit of foreign policyholders, and which could not be touched by English policyholders."

This reply practically means that Lloyds underwriters decline to place themselves in a proper position with the insuring public of Great Britain because the insurance offices are doing something which Lloyds regard as improper. Supposing the late Sir Wilfred Lawson, the keen advocate for temperance, had said to a man, "you must abstain from all intoxicants—if you do not I shall get drunk myself." His logic would have been on a par with that used by Lloyds underwriters. It is as true today as ever that two wrongs do not make one right. If Lloyds had put themselves in a proper position with the public then their demand or criticism would have come with force,

but today it can only be regarded as an excuse for avoiding an obvious public duty. Again we must ask, Why this secrecy?

In the Guardian article it is admitted that down to quite recent times the amount of direct fire insurance business written by Lloyds was quite insignificant, but now the underwriters compete boldly for this business. We do know, however, that now they have secured a turnover of about £3,600,000, and so the question we raise has become a matter of public importance.

The article says that as "their expenses were at least 15 percent below that of any other company Lloyds were able to acquire a considerable volume of direct fire business."

Why are their expenses so much lower? The chief reason is that they do not maintain a staff of inspectors, surveyors, etc., but trade upon the information and the rating of the ordinary offices.

Few people have any knowledge of the excellent work which is done by fire insurance offices, or that through their intervention valuable property is often saved from destruction by fire, or that they employ a staff of experts who are continually suggesting precautions which unquestionably tend to the reduction of losses.

We will give two simple and recent cases. Calico printers are now urged to keep their stock of copper rollers in a building which is cut off from the general print works. Everyone knows the value of these rollers; the precaution is an obvious one, but it would seldom be put into practice if the fire insurance companies had not insisted upon it. Again, in a congested city area a fire surveyor in the course of his duty visited a building wherein was stored a valuable stock, but he found

dangerous rags carelessly thrown about the place, broken windows, and many other dangerous elements. He drew the attention of the proprietors to the danger which this carelessness involved, and was curtly told to mind his own business. He did this by reporting very fully, and a severe increase in the rate was the result, which all the offices supported. Now, the place is a model of cleanliness, etc., the old rate rules, and an element of danger to the immediate area is removed.

Fire losses and fire insurance premiums would be much heavier if the business was entirely conducted on the lines adopted by Lloyds underwriters.

The article claims that "the security offered by Lloyds to fire policyholders has been 'keyed up' enormously, and the deposits and (or) guarantees for this class of business now amount to nearly three millions sterling." Questions in the House of Commons reveal that the security consists of :

Deposits	£207,000
Guarantees by non-members . . .	491,000
Mutual guarantees by members	2,885,210
	£3,583,740

So the actual cash which Lloyds underwriters deposited is the sum of £405 per member! And the guarantees given by persons who are not Lloyds underwriters amount to £961, the rest of the security consisting of undertakings by the members to back each other to the extent of £5,646.

These figures certainly emphasize the desirability of Lloyds underwriters being forced to publish a proper statement of accounts. Mutual guarantees are all very well, but after all they are given by men who are engaged in the same business and who may be in difficulties at the same time, for fire losses are subject to strange fluctuations.

Oregon Insurance Department on Fire Mutuals

J. W. Ferguson, insurance commissioner of the state of Oregon, in reply to an inquiry from F. J. Alex Mayer, general agent Fire Association of Philadelphia at Portland, says :

"Replying to your inquiry of the 12th inst. regarding the privileges of mutual fire associations in this state, I beg to advise that the law makes no provision as to either the contingent or mutual liability of the members of such associations. As I view there is nothing to prevent them issuing a policy limiting the liability of the member to the premium specified in the policy.

"Such an agreement, however, is only binding on the association itself and on account of such condition in the policy it would be impossible for the association to assess such members under the contract. This item is decidedly objectionable and a weak point in such companies. However, this does not limit the liability under the general law of mutuality, and in the event the association should be unable to pay its claims from the funds collected by them up to the limit of their contracts the next step would be a receivership and the court would order such assessments as might be necessary to pay all claims.

"I have, at all times, taken this action in discussing this matter with the mutual associations and with their membership, that is, that they may limit the liability of a member so far as the right of the association to assess, but that there is no limit as to such contingent liability under the provisions of the general law."

Department of the Interior Bureau of Mines

Technical Paper 32, The cementing process of excluding water from oil wells as practiced in California, by Ralph Arnold and V. R. Garfias. 1912. 10 pp.

Miners' Circular 11. Accidents from mine cars and locomotives, by L. M. Jones. 1912. 16 pp.

The Bureau of Mines has copies of these publications for free distribution.

London.—The fire brigade responded to 4,000 alarms last year. About 80 persons lost their lives. The Finance Chronicle says wired glass and asbestos packing are rarely seen in the world's metropolis.

GENERAL

The postoffice department has ruled that insurance documents are third class.

Two English companies, small and not represented on the Pacific Coast, are preparing to swoon and fall into the arms of two rich corporations.

The federal govt. of Australia proposes that all companies must put up a deposit ranging from £20,000 to £40,000.

The empty bottle makes the most noise. The empty head makes the most talk. Many a man is only a talking head.

Fires: The Gump art rooms on Post in S. F. were damaged by fire on Sunday morning, Feb. 16. Rear part and upper floors rather a nasty loss. Art goods damaged by heat, water and

smoke. Loss may amount to \$70,000. Insurance, well distributed, about \$350,000.

Don't multiply words. They darken counsel and steal energy.

If only the laws permitted the shooting of a legislator at sight.

The Phoenix Mutual gained \$2,000,000 in assets last year.

City building operations are increasing in U. S.

The National Surety has cut out federal surety bonds.

Farm business generally is unprofitable. It is especially so in Kentucky, but nevertheless the state rating bureau has reduced farm property rates one-fourth. The companies have ceased writing this class.

Idle freight cars are increasing in number, by nearly 9,000 last month.

Are You Looking for Permanent Success?

You will find it by selling insurance for The Pacific Mutual Life Insurance Company of California because its liberal policies, Life and Accident, are what the people want—*provided* you will

SEE THE PEOPLE.

Life Department

J. N. RUSSELL, Jr.,
Manager,
Pacific Mutual Building,
Los Angeles, Cal.

or

KILGARIF & BEAVER
Managers,

Shreve Building, San Francisco, Cal.



Organized 1868

Accident Department

The McCUITION CO.
General Agents,
Story Building,
Los Angeles, Cal.

or

F. A. STEARNS
Manager,

Shreve Building, San Francisco, Cal.

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1912) . . . \$9,558,099.00

NET SURPLUS, " . . . 3,738,799.00

E. F. BEDDALL
President

N. S. BARTOW
Secretary

GEO. W. BURCHELL
Vice-President

Gross Assets, ^{JAN. 1}1912 \$99,466,277

Exclusively Fire Assets 44,632,557

Net Surplus, - 16,652,238

Losses paid, 235,136,672

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager
LIVERPOOL, ENGLAND



DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta, San Francisco, Montreal. Agencies in all principal Cities and Towns

ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING. SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston, J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred, J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B. Evans, (automobile) C. A. Luhrs.

FIRE

"Classification — Discrimination." This is the subject of U. S. Manager Richards's address before the Insurance Society of New York this week. •

The Middle West of North Dakota has quit.

The Southern National of Texas has quit.

An Ohio squealer has brought suit to kill off the Cincinnati Fire Prevention Bureau, and he hopes to collect damages from 53 agents.

Pennsylvania may have a standard fire policy along Quaker lines.

Hartford Fire stock is quoted at 700.

Oregon talks of having a state fire marshal.

The Niagara Current seems to have run dry.

LIFE

The Michigan States Life and the Lincoln National Life (of Ft. Wayne, Ind.) will consolidate under the latter name.

The Afro-American Life of Birmingham, Ala., is being organized with real money, to insure negroes and mulattoes.

The State Life of Billings, Mont., has incorporated and will make a try.

The Northern Life of Seattle is increasing its surplus after paying 6 per cent to its stockholders.

Salt Lake City. — The Continental Life and Investment has elected F. J. Hagenbarth president, N. G. Stringham secretary and C. W. Helser superintendent. Do not take liberties with the latter's name.

FIRE & TORNADO INSURANCE

American of Newark

Chartered in 1846

Capital Stock	- - -	\$1,000,000.00
Liabilities	- - -	5,081,886.03
Special Reserve Fund	- - -	300,000.00
Net Surplus	- - -	<u>2,962,518.52</u>
Total Assets	- - -	<u>\$9,344,434.55</u>

P. L. Hoadley, Pres't.

C. W. Bailey, Sec'y.

GORDON & HOADLEY, Managers
Pacific Department
San Francisco, California

1849

"Old and Tried"

1913

Glens Falls Insurance Co.

GLENS FALLS, NEW YORK

Items from its 63d Annual Statement, January 1, 1913

Capital Stock	\$ 500,000 00
Unearned Premium Fund, N. Y. Standard	2,326,240 10
Unpaid Losses, Dec. 31, 1912	207,461 00
All other Liabilities, and for Dividend	199,961 11
Net Surplus over all Liabilities	2,485,505 67
TOTAL CASH ASSETS	\$5,719,167 88
Cash Dividends, 1912	\$210,000 00
Stock Dividend, 1912	300,000 00
Increase in Unearned Premiums and Unpaid Losses	94,616 45
Off on New Building Account and Decrease Market Values	62,449 96
Income Exceeds Losses and Expenses	409,124 21

EDWARD S. POTTER, General Agent

SAN FRANCISCO, CALIF.

CASUALTY

Los Angeles.—The California Surety & Casualty has been incorporated and the sale of shares of capital stock has begun.

The Heinzes' Ætna Indemnity is still in evidence in the courts, but the creditors are waiting, waiting.

The Georgia insurance department is after the Ætna Accident & Liability, which is writing a fire and marine policy contrary to law.

Our English-American Spelling Is Fearful and Wonderful

Taking up a copy of Pope's poems, on a recent idle hour, we noted with amusement, in the rhyming end-words, these spelling contrasts:

Roll, soul, eye, die, fly, see, me, drowned, round, heads, sheds, moved, loved, rise, sacrifice, ghost, most, true, flew, rest, guessed, breast, sire, inquire, bear, care, woods, floods, reigned, retained, side, denied, prey, decay, wears, appears, laid, shade, allows, boughs, arrayed, surveyed, subdue, you, design, divine, choose, muse, flow, woe, borne, corn, hair, compare, we, thee, lays, praise, tongue, rung, impose, woes, diffuse, dews, these, please, won, done, skies, despise, adieu, few, view, receive, grieve, despair, bare, night, kite, grown, groan, stone.

Some day, all the rational people will successfully rebel against the tyranny of the schoolmarms and the college professors.

Annual Statement of the

FIRST NATIONAL FIRE INSURANCE COMPANY

of the United States, Washington, D. C.

Assets	JANUARY 1st, 1913	Liabilities
ASSETS.		
Mortgage Loans, first liens	\$143,850.00	
Cash in Bank and Office	159,710.54	
Real Estate, cost price of undivided one-half of equity	134,240.80	
Value of equity over purchase price of Building on basis of appraisal for the Insurance Commissioner of the District of Columbia on the date of October 28, 1912	210,940.75	
Accounts Receivable	6,400.66	
Accrued Interest and Rents	13,353.95	
Market Value of Bonds	Market Value.	
State of N. Y. Loan for Canal Improvement	\$ 25,125.00	
Va. Railway & Power Co.	9,450.00	
City of Danville Refunding Bonds	20,000.00	
Southern Building Corporation Gold Bonds	25,000.00	
State of New York Highway Improvement	50,250.00	
U. S. Government Bonds	101,200.00	
Southern Pacific	23,312.50	
New York Central	17,300.00	
Great Northern	10,037.50	
Bethlehem Steel	19,175.00	300,850.00
Total	\$969,376.70	
LIABILITIES.		
Reserve for Fire Losses	\$ 162.50	
Unearned Premium Reserve	6,909.25	
Accrued Interest and Taxes	8,102.87	
Miscellaneous Liabilities	1,735.21	
Capital Stock fully paid up	\$320,675.00	
Capital Stock partially paid up	167,612.50	
Surplus over all Liabilities	464,179.37	
Surplus as regards Policyholders	952,466.87	
Total	\$969,376.70	

I hereby certify that I have made an examination of the books and accounts of the First National Fire Insurance Company of the District of Columbia as and of December 31, 1912, and the above statement is a true statement of the condition of the Company as and of that date.

S. H. WOLFE,
By Lee J. Wolfe.

C. J. STOVEL.

General Agent for California and Nevada,
537 Sacramento St., San Francisco, Cal.

22d Annual Statement of the

COMMERCIAL FIRE INSURANCE COMPANY

of the District of Columbia, Washington, D. C.

Assets	JANUARY 1st, 1913	Liabilities
ASSETS.		
Mortgage Loans (first liens)	\$217,900.00	
Cash in Bank and Office	70,323.46	
Real Estate (Cost price of undivided one-half of equity)	139,059.25	
Value of equity in Southern Building over purchase price as fixed by the last official appraisalment of the Insurance Department of the District of Columbia	210,940.75	
Accounts Receivable	75,173.55	
Accrued Interest and Rents	15,011.84	
Bonds (Market Value)	Market Value.	
City of Atlanta, School Bonds	\$10,050.00	
City of Richmond Public Improvement	10,615.00	
American Telephone and Telegraph Co. (Collateral Trust)	4,437.50	
City of New York Corporate Stock	10,437.50	
City of Seattle, Park Bonds	10,000.00	
City of Asheville, Water Works Extension & Improvement	9,400.00	
State of New York, Canal Improvement, Erie, Oswego, Champlain	50,250.00	
Virginia Railway and Power Company First and Refunding Mortgage	9,450.00	
Achison, Topeka & Santa Fe Railway Co. General Mortgage Gold Bond	24,250.00	
Union Pacific Railroad and Land Grant (Gold Bond)	24,812.50	
Chicago & Northwestern Railway Co. General Mortgage Gold Bonds	24,468.75	
Washington Railway & Electric Co. Consolidated Mortgage Gold Bonds	9,171.25	197,342.50
		\$925,751.35
LIABILITIES.		
Reserve for Fire Losses	\$ 40,229.91	
Unearned Premium Reserve	165,550.43	
Accrued Interest and Taxes	12,957.80	
Miscellaneous Liabilities	2,833.84	
Capital Stock fully paid up	\$430,790.00	
Capital Stock partially paid up	29,829.41	
Surplus over all Liabilities	243,559.96	
Surplus as regards Policyholders	704,179.37	
		\$925,751.35

I hereby certify that I have made an examination of the books and accounts of the Commercial Fire Insurance Company of the District of Columbia as and of December 31, 1912, and the above statement is a true statement of the condition of the Company as and of that date. S. H. WOLFE, by Lee J. Wolfe.

FORTY-SIXTH ANNUAL STATEMENT

—OF—

The Union Central Life Insurance Co.

OF CINCINNATI

FOR THE YEAR ENDING DECEMBER 31, 1912

Paid-for Basis

ASSETS

Cash on hand and in Bank		\$ 776,772.07
First Mortgage Loans on Real Estate		70,694,166.13
Home Office Property and other Real Estate		1,596,192.39
Cash Loans on Company's Policies		14,075,084.11
United States Bonds deposited with Treasurer of Virginia		25,328.13
Premium Notes on Policies in force		2,198,762.27
Net Deferred and Unreported Premiums		542,821.26
Interest and Rents due and unpaid		115,804.10
Interest Accrued, not yet due		3,028,683.53
Admitted Assets		\$93,053,613.99

LIABILITIES

Reserve Fund required by law	\$74,237,097.00	
Policy claims in process of adjustment	168,678.19	
Dividends on deposit and Premiums paid in advance	93,903.32	
Instalment Policy Death Claims not due	913,233.00	
Commissions not due and all other obligations	754,538.83	
Life Rate Endowment and other special funds	9,728,650.00	
Life Rate Endowment and Surv'ship Div. apportionments for 1913	968,271.00	
Dividends apportioned to annual div. policyholders for 1913	2,091,697.87	88,956,069.21
Surplus derived from participating business	\$2,348,602.94	
Surplus derived from non-participating business	1,248,941.84	
Capital Stock	500,000.00	4,097,544.78
		\$93,053,613.99

RECEIPTS

Premiums		\$11,912,977.74
Interest and Rents		5,296,393.59
Profit and Loss		74,266.32
Other Receipts		5,964.65
		\$17,289,602.30

DISBURSEMENTS

Death Claims	\$2,961,755.40	
Matured Endowments	480,610.14	
Matured Life Rate Endowments	1,817,453.29	
Surrendered and Canceled Policies and other payments	1,620,841.48	
Dividends to Policyholders	1,825,356.13	
Total Payments to Policyholders	\$8,706,016.44	
Taxes	264,587.53	
Commissions and all other disbursements	2,539,551.34	
Total Disbursements		\$11,510,155.31
Excess of Receipts Over Disbursements		\$ 5,779,446.99
		\$17,289,602.30

INSURANCE ACCOUNT

19,613 Policies Issued and Paid For in 1912 (including Revivals), Insuring	\$ 48,352,908.00
172,372 Policies In Force December 31, 1912, insuring	347,939,204.00
Gain in Insurance	\$ 26,479,838.00

JESSE R. CLARK,
President.

ALLAN WATERS,
Supt. of Agents.

THE HOME INSURANCE COMPANY NEW YORK

(Fire - Automobile - Windstorm - Tourists' Baggage.)

ELBRIDGE G. SNOW, President

Cash Assets, January, 1913,	-	-	\$33,406,434 60
Reserve as a Conflagration Surplus,	-	-	*1,800,000 00
Cash Capital,	-	-	*3,000,000 00
All Other Liabilities,	-	-	14,254,679 32
Net Surplus,	-	-	*14,351,755 28

Its Surplus as Regards Policyholders, *\$19,151,755 28

is the largest protecting American Policyholders
exclusively : : : : :

PROMPT
EQUITABLE
COURTEOUS

} ADJUSTMENTS

FOLLOWED BY

IMMEDIATE
CASH

} PAYMENTS

OVER HALF A MILLION SATISFIED CLAIMANTS
IN THE PAST 60 YEARS.

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1912

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$16,953,773.59

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,006,556.02

PACIFIC COAST DEPARTMENT:

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

PROPOSED LEGISLATION

At Sacramento, Cal., S. B. 896 provides for filing rating schedules, the establishment of public rating bureaus, under the supervision of the state insurance commissioner, who by law must not know anything about insurance.

At Denver, Colo., a bill provides that every fire policy must be approved by the state insurance commissioner before sent to the company. No agent outside the state shall write a policy on Colorado property. There shall be no discriminating rates.

At Boise, Id., a bill provides for a new insurance code.

At Salem, Ore., H. B. 443 requires all foreign surety cos. to deposit 50,000 bonds or first mortgage notes on state realty. Licensed surety companies must have \$500,000 capital and \$1,000,000 assets.

At Cheyenne, Wyo., a bill provides for compulsory investment of 50 per cent of the legal reserve in the state.

A Sacramento willyum proposes a state fund for insuring all public schools in California. By so doing, if there be no graft, the state may save \$5,000 a year and risk the loss of a great sum. Another bill requires all original business records to be on file in the state.

You Wish to Be Paid Well

for Your Efforts.

Producers receive liberal compensation under the

Direct Agency Contract of the Manhattan Life

A top-notch renewal income assured for years to come.

Several pieces of excellent territory, with exclusive rights, open for men of character and ability.

For particulars address:

The Manhattan Life Insurance Company

66 Broadway - New York

JOHN LANDERS, Manager.

FIRE**NIAGARA FIRE Insurance Company**

Assets, - \$6,736,192.25 Surplus to Policyholders, - \$3,475,199.18

DETROIT FIRE & MARINE Insurance Company

Assets, - \$2,139,401.04 Surplus to Policyholders, - \$1,552,035.83

NIAGARA - DETROIT UNDERWRITERS

Assets, - \$10,343,079.00 Surplus to Policyholders, - \$5,789,723.62

EDWIN PARRISH, Manager*Pacific Coast Department 334 Pine St., - San Francisco***AUTOMOBILE****MEN WHO CAN
DO THE WORK**

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

**UNION MUTUAL LIFE
Insurance Company**

PORTLAND, MAINE.

FRED E. RICHARDS, PresidentAddress ALBERT E. AWDE, Supt.,
396 Congress St., Portland, Maine.**GEORGE E. HUNT, Manager**
Shreve Bldg., San FranciscoT. H. McAllis, Manager, Sherlock Bldg.,
Portland, Ore.
P. B. Duren, Manager, Boston Block, Seattle,
Wash.The Western States Agency Co., Manager,
225 Foster Building, Denver, Col.

J. E. Evans, Manager, Vancouver, B. C.

**National Union
Fire Insurance Company***of Pittsburg, Pa.*Cash Capital, - - - - - \$1,000,000.00
Surplus to Policyholders, - - - - - 1,545,227.00
Assets, - - - - - 4,136,638.00**METROPOLITAN DEPARTMENT
SAN FRANCISCO**

604 Merchants Exchange Building

DIXWELL DAVENPORT,

MANAGER

E. C. DIETZ,

ASS'T MANAGER

FIELD REPRESENTATIVES:**R. R. Roper, NORTHERN CALIFORNIA**
604 Merchants Exchange Bldg, San Francisco
Alexander MacDougald, SOUTHERN CALIFORNIA
P. O. Box 868, Los Angeles, Cal.

—Bank Clearings, January.—San Francisco, \$241,737,141, gain over 1912 some 9 percent. Los Angeles, \$111,587,303, gain some 20 percent. Seattle, \$50,143,225, gain some 10 percent. Portland, \$50,000,000, gain nearly 15 percent. San Diego, \$13,231,353, gain some 36 percent. Other large Coast cities show a decline.

—New York.—The printed insurance reports, it is proposed, shall be 2,000 instead of 4,000 hereafter. These reports are the best in the world.

—Sonoma, Cal.—This old town has wakened up to the need of better fire protection and has three "props." under consideration. One provides water with 250 feet fall.

HOME LIFE INSURANCE COMPANY OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—“*The Come'l & Fin'cl Chron.*” 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,

256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department, 123 William St., New York, N. Y.

Liability

Workmen's Collective

Workmen's Compensation

Burglary

Personal Accident and Health

Industrial Accident and Health

Agents Wanted For Unoccupied Territory

Apply to New York office or to

WALTER A. CHOWEN,

Pacific Coast General Agent

340 Sansome Street

San Francisco

—Fire.—In New York it is proposed that every fire insurance policy issued after June 30, 1913, shall have attached thereto a notice or indorsement which provides that in the event of the disagreement of appraisers selected by the company and assured regarding the selection of an umpire, it shall be lawful for either the insured or the company to apply to the courts for the appointment of a competent and disin-

terested umpire, whose acts shall be binding upon both the insured and the company to the same extent as though such umpire had been selected in the manner originally provided.

Do Not Forget These Endorsements

When attaching an endorsement to a policy which has been issued to John Doe, accepting notice that the property covered thereunder has been sold to Richard Rowe through contract for deed, lease instalment, or any other condition; do not forget that the policy itself continues to cover only John Doe's interest; that Richard Rowe acquires no interest thereunder by reason of the endorsement, nor could he recover anything under the policy in case of loss.

If it is desired to protect the interest of both parties in the property mentioned in the policy, it can be done by adding to the above endorsement, "John Doe and Richard Rowe are hereby recognized as the insured under the policy."

Furthermore, if the seller of property under such conditions insists upon having loss payable to him, requirements can also be met by following the above addition to the endorsement with "loss, if any, payable to John Doe."

Misunderstandings sometimes arise under endorsements of this sort, but they can be guarded against by careful attention to the wording in line with the foregoing.

Note: Inexperienced agents sometimes err from thinking property is insured. A fire insurance policy covers the interest of the party to whom it is issued, in the property mentioned therein.—Fireman's Fund Record.

SOME OF THE ADVANTAGES ENJOYED BY EQUITABLE REPRESENTATIVES

The backing of one of the largest and strongest financial institutions in the world.

A Participating Company.

A Prompt Paying Company. Of the 5,089 domestic death claims paid by the Equitable during 1911, 5,035 or nearly 99 per cent were paid within one day after receipt of "Proofs of Death."

A Company whose policies are standard contracts, drawn to conform to the Insurance laws of New York and other States.

A Company issuing every desirable form of insurance including Corporation Insurance, Income Insurance, Employe Insurance, Home Purchase Insurance, Joint Life Insurance and a large variety of Annuities.

A Company large and Strong enough to insure applicants for large amounts **under a single policy.**

A Company whose policyholders include the world's Captains of Industry whose identification with the Equitable is in itself an endorsement.

A Company granting insurance to sub-standard physical risks—bringing protection within the reach of applicants who might otherwise be deprived of it and saving business for the agent.

A Company which insures women at the same premium rate as men.

A Company whose canvassing documents are comprehensive, adequate and attractive.

A Company engaged in a broad "conservation of life," movement—aiming to lengthen the lives of its policyholders as well as insuring them.

A company that has withstood every conceivable test—wars, financial panics, epidemics, and lastly, a great fire. *The Society has openings in practically every State for energetic agents of character and ability.*

Address **H. L. ROSENFELD, Assistant to the President**

165 Broadway The Equitable Life Assurance Society of the United States New York

REPUBLIC UNDERWRITERS

POLICIES UNDERWRITTEN BY THE
AUSTIN FIRE INS. CO. and the COMMONWEALTH FIRE INS. CO.
of DALLAS, TEXAS

TOTAL ASSETS OVER \$1,174,970.99
SURPLUS TO POLICYHOLDERS OVER 738,629.96

LOCAL AGENTS WANTED

243 SANSOME STREET
SAN FRANCISCO, CAL.

ANDERSON & EDWARDS, Managers

VARIOUS

—Owner of stock who agreed to pay a reasonable commission for its sale, and who accepted an option contract and put the stock in escrow, held not to have waived the requirement that the broker, to earn his commission, make an actual sale.—Id.

Fire: At Healdsburg, Cal., \$50,000 fire starting in garage of Charles Sheriff, whose packing-house was burned week before.

Nebraska's auditor announces that he will revoke the license of all agents proved to be twisters and knockers. If proof be furnished, there will be no agents left in Bryannia.

COAST REVIEW INFORMATION BUREAU

WE shall, with pleasure, supply our readers with information as to companies, etc., such as age, capital, surplus, litigation, resources, record and reputation. Address, for a prompt answer, 'Coast Review Information Bureau,' 1138 Merchants Exchange.

WANTED—Experienced lady to take charge of office details of large **North-western Local Agency.** Give particulars as to experience, age, references, salary previously earned and salary expected. Address Box 10, Care of Coast Review.

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

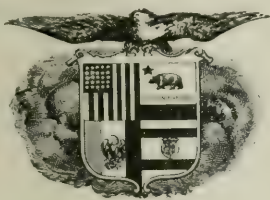
Premiums received since organization, 1846-1912 \$280,438,555.87

Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.
President, **JOHN M. TAYLOR**, Hartford, Ct.

**Los Angeles Fire Insurance Company**

Los Angeles, Cal.

Cash Capital, (Fully Paid), - - \$200,000.00

Secure An Agency of This Home Company.

A Good Agency Company.

San Francisco Office, 334 California Street

CALIFORNIA NATIONAL LIFE Insurance Company

Safe .. Sound .. Conservative

HOME OFFICE

Timken Building

SAN DIEGO, CALIF.

THE THIRD CLASS LOCAL AGENT

WHAT would you think of a local agent who never talked about insurance? about its cost, income and profits, its commissions, taxes and expenses? He wouldn't know much about the business, would he?

Now an insurance journal is but authoritative talk about insurance, backed by libel liability.

Any local agent who doesn't read about insurance in an insurance journal is a Third Class Local Agent.

He is not up to date in news, in principles, in practices, in court decisions, in knowledge of the condition and prospects of the insurers.

He is like a cheap skate of a lawyer who never reads a court decision, or a bum doctor who never reads a medical journal.

This 3rd rate local agent saves a cent a day but he may cost his patron \$5,000 when a loss is settled—and thereby lose friendship and \$500 commissions.

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
OCCIDENTAL LIFE INSURANCE Co.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.

The New York Underwriters Agency

Cash Assets January 1, 1913

\$26,492,318.21

Net Surplus January 1, 1913

\$8,513,692.22

Surplus to Policyholders Jan. 1, 1913

\$10,518,692.22

Losses Paid. Over

\$158,607,806.03

H. R. MANN, Manager

Pacific Coast Department: 339-341 Sansome St., San Francisco

F. M. BRANCH, Superintendent of Agencies

SPECIAL AGENTS AND ADJUSTERS:

V. H. QUITZOW,
H. HARRY SMITH,

SAN FRANCISCO, CAL.
LOS ANGELES, CAL.

A. E. BAILEY,
A. C. ANDERSON,

PORTLAND, OREGON.
SAN FRANCISCO, CAL.

H. B. HAGEN,

SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO.

OF TORONTO

(INCORPORATED 1833)

United States Assets \$1,746,624.71

Liabilities in United States 1,045,080.89

Surplus \$701,543.82

PACIFIC COAST DEPARTMENT

129 Leidesdorff Street, San Francisco

W. L. W. MILLER, Manager

"Must Go"

For the thousandth time, more or less, the authorities have declared that the unlawful wooden buildings in the fire limits must forthwith be torn. And now that Michael Casey has gone it does seem

possible that the "temporary" buildings erected after the fire and still standing in this district—some 300—may be torn down by the lawless owners or the lawful authorities. But "pull" may be too strong again.

To Face Court on Charge of Arson

The Sutter county, Cal., grand jury has returned indictments against Ira and L. P. Wood, charging them with burning the Meridian warehouse on February 20, 1912. L. P. W. was also indicted for embezzlement. They gave bail in the sum of \$500 each.

The previous grand jury "failed for some reason" to indict. The circumstantial evidence is strong. There was heavy insurance.

Ira Wood hired "a rig" at Colusa and drove toward Meridian at night. The fire was at 4:30 a. m. Wood returned at 6 a. m. His movements were traced by the odd-shaped shoe worn by his hired horse. The warehouse contained 6,000 sacks of grain at the time of the fire.

Government Whitewash

There are two kinds of government wash, one known as the "whitehouse" and the other as the "lighthouse." The recipe for the former is: Take half a bushel of unslaked lime, slake with boiling water; cover during the process to keep the steam; drain the liquid through a fine sieve or strainer and add a peck of salt, previously dissolved in warm water, three pounds of ground rice boiled to a thin paste and stirred in while hot, half a pound of Spanish whiting and one pound of glue dissolved by soaking in water in a small pot hung in a larger one filled with water. Add five gallons of hot water to the mixture, stir well and let it stand for a few days covered. It should be applied hot. A little yellow ochre and black added will give it a brownish tint. Red ochre will give a reddish tint. The ochre should not be mixed with oil. For the second: Take three parts of fresh Rosedale cement and one part of clean fine sand, mix thoroughly with water;

this gives a gray or granite color. If a very white color is desired lime should be used with the cement and sand. Mix well together. Before applying first wet the wall with fresh clean water, then follow immediately with the cement wash. This prevents the bricks or wall from absorbing the water from the wash and gives time for the cement to set. The wash must be well stirred during the application. The mixture should be as thick as can be conveniently applied with a whitewash brush.

The Difference

Gulf, said the comedian, means a waste of waters, while golf is a waste of time.

LIFE ITEMS

A New Jersey bill provides for the mutualization of the Prudential or any other stock company.

The Columbian National Life held its annual agency convention in Boston last week.

The Mutual Life Insurance Company of New York is now a six hundred millionaire. It is the leading life insurance company of the world, in all those respects which makes leadership worth while.

The Pacific Mutual Life Insurance Company is the leader in the West.

—Fire. — Where an application for insurance stipulated the company should be bound on receipt and approval of the application by the general agents of a named city, and the application was approved and the policy issued, but not received by insured for several weeks, the contract was binding.—128 P. 107. The maker of the prem. note is liable, notwithstanding the delay.

GOOD AGENTS WANTED

THE
West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, *President*
C. O. G. MILLER, *Vice-President*
JULIAN SONNTAG, *second Vice-President*
WILLIAM C. HAMMOND, *Secretary*

LIFE

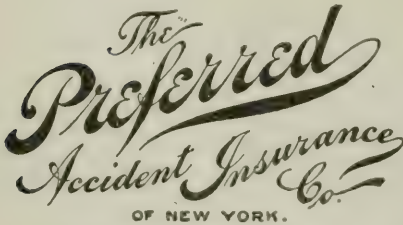
The Arizona Life of Phoenix has been reorganized, W. A. Gordon, formerly the secretary and promoter, has been indicted on a charge of fraudulent use of the mails.

The International Life of St Louis is a "sword swallower" of a sort spectacular. It is taking over the Tennessee Life, giving \$60 of stock for \$100 of par stock. Assuming value received, the Tennessee's stockholders have lost only 40 cents on the dollar.

Lie

Telling a bare naked lie, without intention to injure, cheat, or deceive another person, is not ground for an action. Though every deceit comprehends a lie, yet it is more than a lie on account of the view with which it is practiced and the injury which it is calculated to occasion and does occasion to another person. If a man will willfully assert that which he knows to be false, and thereby draws his neighbor into a heavy loss, the law will compel him to pay for it. *Benton v. Pratt* (N. Y.) 2 Wend. 385, 389, 20 Am. Dec. 623.

Health and Accident Insurance



KIMBALL C. ATWOOD, *President*
WILFRID C. POTTER, *Secretary*

Assets, January 1, 1912	\$2,727,415 00
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,331,195 00
Claims Paid, Over	8,600,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

The Newark, N. J., asks the legislature to specially tax the deferred dividend fund in the Prudential.

The courts have so far defeated the city tax-eaters' efforts to rob the policyholders.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES, \$2,529,585.00

Office : 430 California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

Statements showing the standing of the

CALEDONIAN	INSURANCE COMPANY	Of Edinburgh
	The oldest Scottish Fire Office	(Organized 1805)
Capital	\$5,078,365 32	Assets, \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN	INSURANCE COMPANY	Of New York
Capital	\$200,000 00	Cash Assets \$250,264 00
		Surplus to Policyholders \$231,505 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,405 19
Pacific Department Office : 430 California Street, San Francisco.			

A. C. OLDS, Manager
BALFOUR, GUTHRIE & CO., Pacific Coast Directors

American Central INSURANCE COMPANY
of St. Louis Established 1853
Assets, \$5,550,103 Surplus to Policyholders, \$2,858,229 Losses Paid, \$24,845,140

St. Paul F. & M. INSURANCE COMPANY
of St. Paul, Minn. Established 1865
Assets, \$8,032,864 Surplus to Policyholders, \$2,849,402 Losses Paid, \$40,714,821

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS
of St. Louis
Assets, \$5,550,103
Surplus to Policyholders, 2,858,229

Minnesota UNDERWRITERS
of St. Paul
Assets, \$8,032,864
Surplus to Policyholders, 2,849,402

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817

Of PHILADELPHIA

Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital,	-	\$ 750,000.00	Cash Assets,	-	\$8,989,219.63
Net Surplus,	-	2,505,857.89	Policyholders Surplus,	-	3,255,857.89

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets,	-	\$25,942,992.00	Surplus to Policyholders,	-	\$11,559,758.00
Net Losses Paid in San Francisco in 1906.	-	-		-	\$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada

Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANFORD, Los Angeles

315 California Street, - - - San Francisco

FIRE

Fire at Sacramento.—The St. Nicholas apartment house destroyed Feb. 2, fire starting from fumes of defective oil burner in basement. Several lives lost. Tenants jumped from upper windows. Hook and ladder came seven minutes after alarm, without sufficient men. There were no life nets. The fire escape was too hot to be used. The building was apparently a firetrap. Other buildings burned. Sacramento,

it is evident, has outgrown its fire department.

At Fillmore, Cal., on Feb. 2, packing house of Sparr Fruit Co., and warehouse of Fillmore Whse. Co. burned, together with lemons, oranges and lima beans.

The Mid-Year Conference of the National Locals is to be held in April, in Chicago. Queer calendar, this of the executive committee.

HEALTH**Extracts from California State Health Board Reports**

History indicates that in the beginning, man once lived much as the wild meat-eating animals of to-day live. Houses and cooking and clothing and medicines were unknown. With the influence of invention and co-operation among men, have come all the present day complications of modern living.

It is true in biology, as it is in physics, that there is not one kind of science for animals and plants, and another kind of science for human beings. It is as true of a man, as of an animal, that if he steps on a nail he will cause a wound which will bleed. If that nail happens to complete an electric circuit he will feel the electric shock, even though he can not see or otherwise recognize the presence of the electricity. If the nail happens to be covered with invisible lockjaw "germs," which are thus introduced into the wound, he may experience the results of disease two weeks later and may lose his life. The difference between these physical and pathological results of contact with the nail is that the physical transmission of electricity is immediate and certain to occur, while the transmission of the disease depends upon the germs introduced being able to overcome the body cells in the battle which must go on before the disease conquers. A story written by H. G. Wells, called "The War of Worlds," is based on the supposed residents of Mars never having had any contact with disease germs. Therefore, when they came to this world they quickly succumbed to these agencies of death. This is an interesting speculation, but science has recently shown that it is not true. Chicks raised under absolutely germ free conditions not only thrive but stand the

transition to the germ-laden environment of the normal world without apparent harm. Such experiments indicate that the body has great natural resources for adapting itself to an invisible germ-world filled with both friend and foe. They also help to explain why the relations of disease and health are difficult to explain to persons who know nothing of biology.

Cleanliness, both personal and municipal, is a matter for voluntary and intelligent co-operation rather than enforcement of law, except in flagrant cases. As a rule it can not be shown in specific instances that disagreeable sights, smells or sounds are directly causes of disease. They are nuisances, and are allies of disease because of the opportunities afforded various animal or vegetable carriers of disease. And just as it pays a properous railroad company to spend millions of dollars in keeping the weeds off its roadbed in order to facilitate the early detection of a loosened spike that might be the first factor in a disastrous wreck, so it will pay the people to spend money and personal effort in keeping their houses, yards and city clean and free from all removable rubbish, as a measure in preventing the unrecognized approach of disease carriers. The level headed majority of the people must hold this view and stand unconfusedly between those who believe that all disease originates in filth, and those who believe that disease is only a matter of imagination which can be controlled at will. These people who hold the balance of power must demand the exact truth from science, and be prepared to do the best thing suggested in each hour for action, even though the final unraveling of the methods of disease transmission prove many things previously done to have been unnecessary.

The story of yellow fever is a good illustration of this. For a generation and more every appearance of yellow fever was the signal for "shotgun" quarantines of cities and states; railway trains were halted and all ordinary channels of commerce blockaded; even the army and navy medical regulations required all equipment for the care of patients to be burned. The discovery that a single species of mosquito is the sole agent in spreading yellow fever has completely revolutionized its control. This fact does not discredit science in any way nor does it censure those persons who ordered "shotgun" quarantines in the days when the disease had to be faced without knowledge of its nature and methods of attacking human beings. The current story of infantile paralysis is another illustration of the need for immediate action which for the present must be based on imperfect knowledge of the enemy we are fighting. It has seemed best to require rigid quarantine of the families and social units in which the disease appears, but future investigation may at any time give us the key to as simple and certain a control of this disease as has been employed to make yellow fever a matter of history.

The idea advanced by Dr. Charles C. Browning of Los Angeles, for narrow running water gutters extending ten feet on either side from each street crossing corner in the business district, is excellent, and would provide for the immediate carrying into the sewers of most of the sputum now expectorated on our sidewalks. The psychology of Mrs. Alice L. Parks' contention, that we should post signs "spit here" instead of only signs "do not spit," is sound. Just as business firms employ experts to write signs and window drapers to devise methods of influenc-

ing the public demand, so your committee will probably utilize similar talent in obtaining public co-operation.

London ropes off certain side streets, and even sections of important thoroughfares, for specified hours of the day, as play places for the crowded tenements. These street areas are specially cleaned and the police act in a way, during the evening hours, as play supervisors. In New York, on hot days, a special detail of street cleaners and police go through the crowded portions of the East side and turn on the fire plugs for half hour shower-bath frolics. In many European cities there are systematic efforts made to plant flower or vine seeds over all vacant lots, and wherever one or more vacant blocks exist, permits under certain conditions are issued to families who live in flats, to have a small garden or play-plot. Some of the gayest, happiest pictures I recall of many cities in Germany and even as far north as Copenhagen, are of the evening social gatherings of the working men and women in these play-pots. The actuating purpose behind this movement is the preservation of the home and limitation of the poverty and disease due to alcoholism, but it is a powerful factor in the "clean-up" work of Europe.

In Havana a special committee has the power to compel a man to repaint his house if he uses a color scheme hopelessly at variance with ideas of harmony in colors. In such matters much may be done without law by molding public sentiment. Many cities have regulations requiring buildings to be placed a certain number of feet back from the street. But here again general sentiment unaided by law is most influential. Europe is full of streams, intrinsically far less beautiful than the Sacramento, but by inexpensive walks and methods of beautifying the banks, they become most picturesque and varied in attractiveness.



Insurance Company

LIFE
HEALTH
ACCIDENT

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

POLICY
PROVIDING
PERFECT
ROTECTION

HOME OFFICE
SEATTLE
U. S. A.

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.

\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over **\$500,000.00**

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets	\$2,404,810.30
Liabilities in United States	1,377,501.45
<i>Surplus</i>	\$1,027,308.85

PACIFIC COAST DEPARTMENT
129 LEIDESDORFF STREET - - - SAN FRANCISCO
W. L. W. MILLER, Manager.

Total Assets Represented over \$20,000,000

Svea
Insurance Company
of Gothenburg

Agricultural
Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire
Insurance Company
of New York

Hamilton Fire
Insurance Company
of New York

Globe Underwriters
of New York

EDWARD BROWN & SONS
General Agents Pacific Coast Department
202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

ONE HUNDRED YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH
(which are but a small part of total fire assets of the Co.)

\$9,139,794.00

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

JOHN McC. ANDERSON, Resident Secretary, Local Dept.

234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON OREGON, MONTANA.

P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH WYOMING.

CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA, and ARIZONA.

G. W. DEARBORN, 211 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLMAN, General Inspector, Improved Risk Department, 234 Pine Street, AN FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers: Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$— in premiums." "My business is chiefly —." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824,

North American Branch:

Hartford, Conn.

JAMES H. BREWSTER

MANAGER.

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash., Oregon, Washington, British Columbia.

PAUL B. SOMMERS, State Agent,

H. C. EDMUNDSON, Special Agent,
706 Gas and Electric Bldg., Denver, Colo.,
Colorado, Wyoming, New Mexico, Utah,
Idaho, Montana.

H. W. FORES, San Francisco, Cal.,
General Agent, California, Nevada, Arizona.

SAN FRANCISCO OFFICE:

409 California Street

The Northern Assurance Company Limited

OF LONDON

Established 1836

Accumulated Funds, \$39,436,873.00
 Invested in the United States, 5,303,005.00

FRED C. H. ROBINS, Manager Metropolitan District

330 California Street, - - - - - San Francisco

(For San Francisco and Bay Counties)

PACIFIC COAST DEPARTMENT:

CHICAGO, ILLINOIS,

G. H. LERMIT, *Manager*

J. C. CORBET, *Ass't Manager*

PACIFIC COAST SPECIAL AGENTS:

D. R. ATKINSON, Portland, Or.

LOWREY C. HOLLOWAY, San Francisco, Cal.

GEO. F. GUERRAZ, Seattle, Wash.

G. MUELLER, Los Angeles, Cal.

JNO. P. BREEDEN, Helena, Mont.

Pacific Surety Company

C. H. CRAWFORD,

PRESIDENT

Established - 1885

BONDS

ACCIDENT

PLATE GLASS

Employers Liability

INSURANCE

Home Office

FIRST NATIONAL BANK BUILDING

San Francisco

The London Assurance Corporation

OF LONDON

Cash Assets, \$23,044,775.00

The London Underwriters

SPECIAL AGENTS - C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
 T. S. HEATH, Denver; J. E. JOHNSON, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco

A. W. THORNTON, *Manager*

J. M. MENDELL, *Assistant Manager*

G. E. GOGGIN, *City Manager*

WM. HACKETT, *Supt. of Agents*

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

Big Stock Dividend.—The Travelers Ins. Co. has declared a stock dividend of \$100 a share. Recent sales had been made at \$1,180. The capital is being increased from \$2,500,000 to \$5,000,000.

Automobile.—What is said to have

been the first reinsurance of automobile business was the recent deal whereby the Queen took over the Commercial Union's and Palatine's Oklahoma risks written through their Denver general agency.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$28,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$220,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, General Manager

LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold) - - -	\$ 250,000 00
Cash Assets (Gold) - - -	1,718,386 33
Net Surplus over Capital (Gold)	1,044,865 35
On deposit in the United States, (registered U. S. bonds) -	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents
Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco

[Babcock Building]

PHOENIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building

(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employes. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.

Royal Insurance Building

LIFE

Amzi Dodd, for many years president of the Mutual Benefit, died recently at age 89.

The New World Life is "rushing in" wherever there is a chance to sell stock. The promoters seem still in control.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General manager

Union Assurance Societies

1714

OF LONDON

1907

Cash Assets in U. S. A.

\$1,224,580.16

Surplus in U. S. A.

\$836,556.74

CATTON, BELL & CO., General Agents

454 CALIFORNIA ST., SAN FRANCISCO

R. C. MEDCRAFT,
Manager

SPECIAL AGENTS:—JOHN E. COSGROVE, San Francisco.

WM. M. PATTERSON, Portland.

F. F. RICHARDS, Los Angeles.

JESSE DEBRUHL, Spokane.

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

PACIFIC DEPARTMENT

J. L. FULLER, Manager

558 Sacramento Street
SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

The Press

The Hudson Bay Clan is a Hudson Bay company 8-page paper at Vancouver, B. C. The

Clan is a creditable effort.

The old Insurance Monitor comes to us looking very unfamiliar, with ads on every other page.

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY-THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

Alaska Commercial Building San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by the State of Massachusetts

Incorporated 1849

Total Assets	\$10,407,847.65
Total Liabilities	7,537,140.04
Net Surplus	2,870,707.61

SURPLUS TO POLICYHOLDERS, \$4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by the State of New Jersey

Incorporated 1811

Total Assets	\$1,870,656.00
Total Liabilities	1,010,774.70
Net Surplus	859,881.30

SURPLUS TO POLICYHOLDERS, \$1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

SEMI-ANNUAL STATEMENT JUNE 30, 1912

Assets	\$10,678,673 37
Capital and Surplus	3,124,412 06
Losses Paid to June 30, 1912	39,481,720 02

This company grants insurance as follows :

Fidelity Bonds, Surety Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers' Liability, Public, Teams, Automobile, Workmen's Collective, Workmen's Compensation, Elevator, and General Liability, Personal Accident, Health, Physicians' Liability, and Druggists' Liability

Pacific Coast Department: { California - CHAS. J. BOSWORTH, General Agent, Merchants Exchange
 San Francisco. Washington and Oregon - SEELEY & CO., 111 S. 10th
 St., Tacoma; Coleman Bldg, Seattle; Board of Trade Bldg, Portland.



The Prudential Provides

the policies and the prestige, the agent, the personality and the push. The sum total is success.

Write us about an agency.

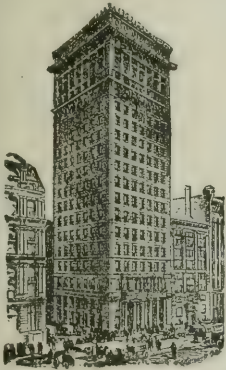
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Founded by JOHN F. DRYDEN, Pioneer of Industrial Insurance in America

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



A New Bond for Insurance Companies

Prepared after an exhaustive study of the needs of Insurance Companies. Write for a copy.

American Surety Company OF NEW YORK

The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.
 JAMES K. LYNCH, RESIDENT VICE-PRES.

CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

BRANTLEY W. DOBBINS, Mgr. for Northern California and Nevada

Merchants National Bank Bldg. San Francisco. Telephone Kearney 1099

---Life. --- Where applicant for life insurance certifies that his health is good according to the best of his knowledge, a recovery may be had on his death, if he had reason to believe

that he was in good health, though this was not in fact his condition. Smith v. Prudential Ins. Co. of America, 85 A. 190.

An Unnecessary Medical Examination

A burley ironworker, over six feet tall and proportionately well built, was an applicant for a policy in one of the Eastern industrial companies. He was an Irishman and a good, husky specimen. The agent sent him to the local medical examiner one evening. It was the month of January and the wind and snow were so formidable as to keep most people off the streets and to tie up the trolley lines. After the usual questioning on the part of the doctor, the Irishman was requested to remove his coat, vest and shirt, in order to give free access for an examination of his heart and lungs. He did this more or less distrustingly, showing in his eyes that he was none too pleased with these "monkey shines." Before the doctor had time to go on with the examination, however, it was announced that a man wished to see him immediately upon an urgent case. The doctor made due excuses to the ironworker and stepped into the waiting room. When his business there was finished he returned to the office. But, to his astonishment, the Irishman had vanished. To add to the mystery, his clothes were still lying on a chair just as he had left them. The doctor, thinking that the man was possibly eccentric or of a humorous mood, made a thorough search of his house from cellar to garret. Beginning to feel nervous for the Irishman's safety, the doctor was about to telephone the police when a ring came at the door. The doctor opened it, admitting a blast of snow and, at the same time, the Irishman. He was hatless and shirtless and was covered with snow from head to foot. The doctor fairly pulled him into the hall and commenced brushing him off. "Why, Mr. Maginnis," he exclaimed, "what is the trouble? What has happened?" "Sure,

now, doctor," said Mr. Maginnis, reassuringly, "don't get excited over me. I just thought it wor a good chanst to skip around to the Dutchman's and have a glass of beer!"—The Spectator.

American Railways

The capitalization of American railways is \$60,000 a mile.

In 1911 the number of American railway employees decreased nearly 30,000, but wages increased nearly \$65,000,000.

In 1890 American railways paid \$199 taxes per mile, and in 1910, \$431. All kinds of business and property are more heavily taxed than formerly.

James Hill gives these tonnage per mile figures: France 496,939, United Kingdom 529,622, Germany 827,400, United States 1,071,086.

The average daily railway wage in this country is twice that in the United Kingdom and two and three-quarter times that in Prussia.

Ship Compelled to Burn Part of Cargo

Thirty-eight days on her way to Yokohama from the mouth of the Columbia river, with the bulwarks damaged and her steering gear injured, besides being compelled to burn part of her cargo as fuel, was the fate of the steamer Robert Dollar.

The steamer had an extremely rough and dangerous passage across the Pacific, making a voyage considerably longer than the average, losing part of her deck cargo of lumber and having to burn a considerable quantity more in order to reach port.

A rubber tire factory is announced for the Pacific Coast. There are said to be 150,000 motor cars in the Pacific West. They use an average of eight tires a year. The average price is \$25.00 a tire. This implies a spending of \$30,000,000 a year for tires out here.

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

- The first office to commence paying losses after the conflagration.
- The first office to commence paying in full the face of the policies, without discount, for cash or exchange.
- The only general agency that remained in San Francisco where its patrons suffered.
- The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.
- The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

**Get the Best Insurance While You Are About It
It Costs No More**

January 1, 1912

OLD AND
TRIED

GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,178,041 00
UNDIVIDED PROFITS	2,719,805 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,684,570 00
UNDIVIDED PROFITS	940,287 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,587,784 00
UNDIVIDED PROFITS	425,652 00

EDWARD E. POTTER, General Agent
W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal.

Fire Automobile Marine

COMMERCIAL UNION

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$ 14,750,000
Paid-Up Capital	1,475,000
Total Cash Assets, Gold	56,579,048
Total Liabilities, including re-insurance reserve	46,019,127
Cash Surplus to Policyholders	10,559,921
Total Amount of Claims Paid	175,573,348

Assets in United States Held by Trustees, \$7,643,751

ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE

Security Building, 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

ACCEPT NO SUBSTITUTES

THE COAST REVIEW'S

PACIFIC FIRE CHART 1913

UP to Date, UP to Standard, UP to Reputation

5 YEARS' FIGURES

Capital, Net Surplus, Policyholders' Surplus, Assets, Liabilities, Reinsurance Reserve, Net Premiums, Net Losses, Expenses, Loss Ratio, Expense Ratio, Income and Disbursements, Coast Premiums and Losses and Loss Ratio, San Francisco Premiums, Business by Agencies and Departments, Retired Stock and Mutual Companies, Pacific West Business by States and by Companies, Principal Court Decisions of a Year, American Fire Companies Which Paid No Dividends in 1912, Percentages of Dividends to Stockholders Funds

Tables of Short Rates

STABILITY AND STRENGTH

RESOURCES OVER \$47,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

PACIFIC DEPARTMENT

WILLARD O. WAYMAN---CARL A. HENRY

JOINT GENERAL AGENTS

FRANK E. STONE

MAXWELL H. THOMSON

ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets

San Francisco, Calif.

Branch Offices : Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00 Assets, \$9,268,924.08

WILLIAM J. DUTTON
PRESIDENT

BERNARD FAYMONVILLE
VICE-PRESIDENT

J. B. LEVISON
SECOND VICE-PRESIDENT

LOUIS WEINMANN
SECRETARY

H. P. BLANCHARD
ASSISTANT SECRETARY

A. W. FOLLANSBEE, Jr.
MARINE SECRETARY

JOHN S. FRENCH,
ASSISTANT SECRETARY

T. M. GARDINER
TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building

Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 84
NO. 3

MARCH

SEE PAGE

1913

TELEPHONE KEARNY 5934

THE

INSURANCE

PROTECTION

Coast Review

An Insurance Journal and Directory

IN ITS FORTY-SECOND YEAR

San Francisco: Merchants Exchange Building

The Only INSURANCE Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

Miscellaneous California Business
California Life Business in 1912 and 1911
California Marine Business
Some Coast Marine Figures
Death of General Agent Sanderson of the Aetna
Extracts from F. U. A. P. Papers
California and Coast Fire Business
Survivorship Life Policies Advocated
California and Washington Decisions
Failure of the American Union Fire
Civic League's Report on San Francisco Insurance
Annual Statement Figures Reviewed
Breeding Appointed Assistant General Agent
Williams Appointed Assistant Manager
Gordon & Hoad ey Dissolve
Sacramento Loss Settled at 55 Per Cent

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets
\$58,371,415.00

Assets in U. S.
\$13,739,218.97

LIVERPOOL & LONDON & GLOBE INSURANCE CO., LTD.

NEW YORK OFFICE, 80 WILLIAM STREET.
 H. W. EATON, Manager
 G. W. HOYT, Deputy Manager
 J. B. KREMER, Ass't Deputy Manager
 T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
 CLARENCE F. LOW, Manager
 J. G. FEEBER, Ass't. Mgr
 THOS. H. ANDERSON, Deputy Ass't. Mgr

CHICAGO OFFICE, INSURANCE EXCHANGE.
 W. S. WARREN, Manager.
 GEO. H. MOORE, Assistant Manager
 HUGH R. LOUDON, Deputy Ass't. Mgr

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
 JOHN W. GUNN, Manager
 R. P. FABJ, Ass't Manager

CALIFORNIA, NEVADA, ALASKA, OREGON, WASHINGTON, ARIZONA, IDAHO, FLORIDA, ARKANSAS, MISSISSIPPI, ALABAMA, OLLAHOMA, TEXAS, GEORGIA.

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO.

Established 1836

Entered U. S. 184

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets \$13,739,218.97
 Liabilities 9,723,246.05

Surplus \$ 4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
 And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144.

LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852
 Temporarily at
 514 California St., San Francisco

JOHN W. GUNN, Manager
 R. P. FABJ, Assistant Manager

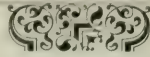
Special Agents:

R. G. BRUSH
 W. H. RAYMOND

R. H. ROUNTREE
 CHESTER S. MYRICK

HARRISON HOUSEWORTH
 F. E. ATKINS

D. B. EDWARDS
 GEO. J. JAMES




Conflagration-Proof Insurance



Losses paid to date, - - over \$164,000,000

PACIFIC DEPARTMENT



GERMAN AMERICAN PHOENIX OF HARTFORD
GERMAN ALLIANCE. PROTECTOR UNDERWRITERS.
EQUITABLE FIRE & MARINE INSURANCE CO.

GEO. H. TYSON GENERAL AGENT.
HERBERT FOLGER. ASST. GENL. AGENT
SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



SOLICITING INSURANCE FOR
THE MUTUAL LIFE INSURANCE CO. OF NEW YORK
 IS ONE OF THE MOST LUCRATIVE OF CALLINGS

Are you in the business to stay? Choose a Company good enough for you to stay WITH, and strong enough to stay with YOU, during your whole career;

The oldest Company in America, which began business seventy years ago, is bigger, better and stronger now than ever before, and will be still bigger, better and stronger seventy years hence;

Not the company which YOU must introduce, but the Company which introduces YOU wherever you go;

The Company whose better selling qualities earn most for you in the way of commissions;

The company which furnishes the insured the largest protection for his money.

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

LIFE

When requested by the applicant the Mutual Life includes the disability clause in policies. Agents are told to explain the merits and demerits of this clause, which is attached for a small additional premium. The total disability must occur before age 60, if future premiums are to be waived. The guarantees are not changed after premiums have been waived. The Mutual Life, in its instruction to agents, points out the fact that total permanent disability is of rare occurrence at any age. Hazardous risks are not given this waiver of premiums clause, and the limit is \$50,000.

The Fidelity Mutual, formerly operating on the assessment plan, now has nearly \$27,000,000 assets.

The New England Mutual Life has entered Iowa.

It is alleged that the Mississippi Valley Life is insolvent. It was organized by the same men who organized the Western States Life of San Francisco. It is proposed to consolidate the Mississippi Valley with another Arkansas company, on the basis of stock at \$10 for the \$25 originally paid.

The National Life of Vermont defeated the claim on the life of L. E. Helig, in North Carolina. He was found dead from a gun-shot wound, with evidence of suicide. The policy contained a suicide clause.

The Robertson law is publicly defended by the secretary of the Texas Life Convention. Texas is the state where this sort of investment of reserves legislation was first enacted.

The Union Life of Chicago will not go into the hands of a receiver—not yet.

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00
Net Surplus, 295,338 00
Total Assets, 1,278,845 00

OFFICERS

W. E. DEAN, President
 GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
 GEO. L. PAYNE, Treasurer

HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.

Special Agents and Adjusters

J. W. WARNER, San Francisco
 A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

**Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
 and at the rate of "Dollar for Dollar."**

Western Department, Chicago, HENRY J. WOESSNER, Gen'l Agt.
 Eastern Department, Philadelphia, FRANK C. STURTEVANT, Manager.
 Middle East Department, Pittsburg, LOGUE BROS. & CO., Gen'l Agts.



LTD.

OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

PACIFIC DEPARTMENT - - - 332 PINE ST.
SAN FRANCISCO, CAL.

JAMES WYPER, - - Manager

THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM
AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES

Pacific Coast Casualty Co.

Of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00

Assets, : : 1,231,513 10

E. F. GREEN President
CARL G. BROWN Vice-President
H. A. BAUER Secretary

DIRECTORS.

Henry E. Bothin	E. F. Green
Edward L. Brayton	Carl G. Brown
Marshal A. Frank	J. H. Bennett
Allen I. Kittle	Geo. W. Turner
F. P. Deering	H. W. Goodall
W. P. Johnson	

Head Office: Merchants Exchange Bldg.
San Francisco

CASUALTY

Hartford Fire people have organized the Hartford Accident & Indemnity Co.

Just now the Continental Casualty is not living up to its reputation as an always in court company. This company does not pay sunstroke claims.

The International Casualty of Spokane was hit hard by accident and auto losses last year.

LIFE

The Connecticut Mutual now has lower rates for its 5-year term policies and has discontinued the 10-year term. The rate at age 30 is \$12.12.

All policyholders of the Northwestern Mutual continue to pay to help support the government of Wisconsin.

West Virginia now has an anti-rebate law.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-one Years for

Low Rate of Mortality

Economy of Management

Prompt Payment of Claims

GROSS ASSETS, OVER - - - \$18,200,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Hellman Building) LOS ANGELES, Cal.



The Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop

LIFE

The Home Life of New York does not now charge interest on premium during the grace period.

Spokane.—The Salt Lake company, the Continental, has put E. S. Kimball in charge here.

Baker City, Or.—H. G. Gosman is to have charge of Continental L. & Inv. interests here for eastern Oregon.

Salt Lake City.—The Prudential staff held its annual banquet here last week. This district is the only one in the West in the company's roll of honor for persistency in business.

The Germania Life declined to approve a \$50,000 policy on the life of Gustavo Madero a short time before he was murdered.

Seattle.—W. A. Tippit is to be agency manager here for the Continental L. & I.

ACCIDENT

A Chicago broker failed to get any accident insurance on the fingers, hands or arms of a vaudeville rag-time pianist. The broker had orders to place \$100,000.

Life Insured for \$100,000

A Tacoma attorney, Frank I. Blatter, who disappeared while hunting in a boat on the sound, had a large amount of insurance. His launch caught fire.

FIRE

San Antonio, Tex.—The Globe Fire expects to extend its business to other states.

Missouri loss ratio, 74 percent.

All adjusters must be licensed in New York.

Best says Stone did appoint I. & S. agents for the New Zealand for New England.

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company his leader. That company is certain to be the Continental = = = = =

HENRY EVANS, President

Pacific Coast Representatives:

A. G. NASON & CO., San Francisco
 F. P. WILSON, San Francisco
 G. L. McINTIRE, Los Angeles
 J. C. WICKLER, Sacramento

W. A. WILLIAMS, Portland
 G. L. A. LAUER, Seattle
 J. A. CARLSON, Spokane, Wash.

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



FOUNDED 1866

Funds Exceed - - \$ 46,000,000

Annual Income Exceeds 6,500,000

Claims Paid Over - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON—Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BRODENSTEIN—California, Nevada, Colorado and Utah.

APPLICATIONS FOR AGENCIES INVITED

FIRE

Iowa loss ratio, 59.

The Columbian Fire of Detroit and the Southern Fire of Louisville and the United American of Frankfort are new ones.

The Louisville, Ky., salvage corps has been judicially denied the right to drive rapidly to a fire. Thus ends its usefulness to underwriters.

A water company in Wisconsin won as defendant in a suit brought for heavy loss by fire while the water pressure was deficient.

State insurance departments are issuing warnings against broker C. Webster Anthony, who offers to place "any risk at whatever you figure will be acceptable to the assured." Any local agent or broker willing to send such a man business is no better than a thief.

Supt. Emmett of New York asks from the companies confidential information as to any and all crooked adjusters.

The leader of the search party which found the bodies of Capt. Scott and his companions near the south pole is the son of the Toronto manager of the London & Lancashire.

Fire: Numadzu, Japan, burned Mar. 3, with a loss of \$2,700,000.

The Potomac Fire is quiet now, having reinsured its outstanding risks.

A Tennessee legislator hopes to make the reinsurer pay a tax of a fourth of the premiums received for the reinsurance of any unauthorized company.

New York.—The state superintendent of insurance now has authority to revoke the license of a foreign company.

ESTABLISHED IN 1845

Prussian National

Insurance Company

(OF GERMANY)

CAPITAL, . . . \$2,250,000.00

ASSETS, . . . 5,130,876.07

United States Branch

171 LaSalle Street, Chicago

HAROLD W. LETTON,

General Manager

JOHN A. PRINSEN, General Agent

315 South Broadway

LOS ANGELES, CAL.

The
Metropolitan
Life
Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

SAN FRANCISCO

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Net Surplus
 \$8,238,392.50
 Surplus as to
 Policyholders
 \$13,238,392.50



Cash Assets Now
\$23,051,531.36

Losses Paid
 in
 94 Years
\$132,981,553.48

All Losses Paid in Cash Without Discount Immediately Upon Adjustment
General Agent

W. H. BREEDING, Asst. General Agent

Main Office, 301 California Street
 SAN FRANCISCO

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR

This Company has absolutely *no* connection with any other corporation bearing the name of *Aetna*.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21
 Surplus to Policyholders 10,513,692 22
 Losses Paid, Over . . . 158,607,806 00

PALACHE & HEWITT, General Agents

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

J. J. DENNIS
 P. H. GRIFFITH
 WILLIAM S. DENNIS
 NEIL STEWART

C. E. MILLER
 M. E. SPAULDING
 J. HENRY WOLBOLD

GEO. E. DEVINE
 R. E. DOLLARD
 L. H. EARLE

March, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 12d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 84

San Francisco, California, U. S. A.

Number Three

Entered at San Francisco Postoffice as second-class mail matter

The Panama Fair has so far failed to include among its exhibits the 300 San Francisco "temporary" wooden shacks erected in 1906. Mr. Moore, a little more publicity.

‡‡

Labor unions are hotly opposed to insurance unions.

‡‡

Man lingers too long on this miasmatic planet.—Emerson. But the life insurance companies don't think so.

‡‡

Without property, life is not worth living. A life insurance policy is property.

‡‡

The American Union of Philadelphia is bringing tears to the eyes of its stockholders.

‡‡

It is a rare feat when the insurance editor eats beef in these feteful days.

‡‡

Insurance managers and general agents must prepare to disclose their income to the tax-man and the public. Incomes of \$5,000 and more are to be taxed.

‡‡

Fire insurance is short in profits, but long in sensations.

The Coast Review's Pacific Fire Chart for 1913 contains the names of ten American fire companies that will retire this year.

‡‡

A fire premium is divided among losses, commissions, taxes and expenses and a microscopic underwriting profit. Only the latter is sent out of a state.

‡‡

Chloroformers were better at Sacramento.

‡‡

Best has been vindicated by the American Union bubble bursting.

‡‡

Two men claimed to be governors in Arkansas. Luckily, nowhere do two men claim to be insurance commissioner.

‡‡

Utah's governor has approved the senate bill prohibiting the making or selling of matches that do not conform to standards.

‡‡

A muck-raker insists that the largest fire companies write East Side risks in New York City, knowing they will burn. He says the brokers compel the companies to write the rotten risks.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

MARINE

Federal.—Granger et. al. v. Providence-Washington Ins. Co., 200 F. Rep. 730

Effect of Understatement of Cargo in Bill of Lading

It is not a defense to an action on a marine policy to recover the value of a portion of a lumber cargo jettisoned that the measurement of the cargo, correctly given in the policy, was understated in the bill of lading because of a custom of the shipper, in case of dressed lumber, to allow for the reduction in bulk by reason of the dressing, where the insurer is protected from any increased risk from overloading by a warranty of seaworthiness in the policy.

Defenses

Whether or not such practice of shippers, if general, or, in the particular case, if known to insurers, would influence them in accepting or rejecting a risk, is not a matter for expert testimony, since it is not a question of general usage, but one to be determined in each case by the particular underwriter; and a policy, otherwise legal, cannot be invalidated after a loss because the insurer was not advised of the fact.

FIRE

California.—Royal Ins. Co., v. Caledonian Ins. Co., 129 Pac. Rep. 597

Reinsurance—Liability of Reinsurer

Where policies of insurance and reinsurance each contained a provision that if a building, or any part, should fall except as the result of fire, the insurance on the building or its contents should immediately cease, a provision in the reinsurance policy that it should be subject to the same risks, valuations,

conditions, and adjustments as were or might be taken by the reinsured, and that the loss was payable pro rata with the reinsured, did not authorize the original insurer by adjusting a loss for which it was not liable because of the fall of a building to subject the reinsurer to its pro rata share of such loss.

Contracts—Construction—Giving Effect to Whole Instrument

Every part of a contract must be given some effect, if possible, and apparently conflicting provisions must be reconciled if this can be done without doing actual violence to the language of the contract.

Actions—Defenses

In an action on a policy of reinsurance, an answer alleging a violation by the original insurer of a promise not to adjust any loss without notice to defendant, but not alleging any injury to defendant from such failure, was insufficient.

As was said in *Fireman's Fund Ins. Co. v. Aachen & Munich Fire Ins. Co.*, 2 Cal. App. 690, 84 Pac. 253: "In any event, the liability of a reinsurer, like that of a party to any other contract, must depend upon the terms of his contract." By the terms of the contract in the case at bar, all insurance on the property covered by the policy of reinsurance was to immediately cease upon the falling of the building or any part thereof, except as the result of fire.

We do not think that the reinsured, under the pro rata clause, may, by adjusting and paying a loss, impose a liability upon the reinsurer for a loss not covered by either the original policy or the reinsuring policy, but expressly excepted therefrom. The court erred in sustaining the demurrer to the defense founded upon the fallen building clause. See *Clayburgh v. Agricultural Ins. Co.*, 155 Cal. 708, 102 Pac. 812, 18 Ann. Cas. 579.

Judgment revised and rehearing denied.

North Carolina—*Roberta Mfg. Co. v. Royal Exchange Assur. Co. et al*, 76 S. E. 865

Delivery of Policy

A manual delivery of a fire policy to insured or to one authorized to represent him is not essential to make it binding on insurer, where the parties intended that the policy should be valid and subsisting.

The fact that a member of an insurance agency firm who was an officer of a corporation, retained physical possession of a policy, issued by the firm on the property of the corporation, is material on the question of the issuance of the policy by insurer and acceptance by the corporation.

Contracts

A fire policy issued by an insurance agent without the knowledge and consent of insurer or insured is not valid.

A contract must result from the concurrence of the minds of two persons and is not dependent on the understandings of merely one of them.

Validity

Where insured refused to accept a fire policy unless the premium was reduced, the policy could not be delivered so as to render the policy valid until the premium had been reduced.

Where the premiums for a fire policy had not been agreed on by the parties, there was no valid insurance.

Cancellation

A fire policy in standard form, stipulating in the language of statute that it shall be canceled at any time at the request of insured or by insurer by giving five days' notice, is canceled where insured requests a cancellation and communicates the request to insurer, and no action on the part of the insurer is required.

Washington—*Chenier et ux. v. Insurance Co. of North America*, 129 Pacif. Rep. 905, March 3

Breach of Contract—Insurer—Proof of Loss
—Waiver

In an action for damages for breach of a contract to issue an insurance policy on property which was subsequently destroyed by fire, the failure of plaintiff to make proof of loss, which proof would have been required by the policy had it been issued, did not bar recovery; failure of insured to issue the policy constituting a waiver of this condition.

Waiver of Condition—Commencement of Action
Within a Year

Nor was recovery barred by the failure of insured to sue within a year after the fire, as would have been required by the policy, had it been issued.

It is true, as insisted upon by counsel for appellant, that "it will be presumed that they contemplated such form of policy, containing such conditions and limitations as are usual in such cases, or have been used before between the parties." *Eames v. Home Insurance Co.*, 94 U. S. 621, 629 (24 L. Ed. 298.) But the general rule seems to be that a failure, on the part of the insurer, to issue a policy in pursuance of such a contract constitutes a waiver of conditions precedent to be performed by the insured, which the policy, if issued, would have contained. It also seems to be the general rule that a denial by the insurer of the existence of such a contract, whether it be for insurance—that is, a contract for a policy to be issued—or a contract of insurance, strictly speaking, constitutes a waiver of conditions precedent to be performed by the insured. These general rules are apparently not adhered to by all of the courts, though we think they are supported by the decided weight of authority.

We feel constrained to follow what we regard as the decided weight of authority, and hold that the failure of appellant to issue an insurance policy in pursuance of the contract, which the jury found to exist in this case, rendered wholly ineffectual, as against respondents, the conditions which would have been contained in the prospective policy, had

it been issued, requiring the respondents to furnish proof of loss within a certain time, and requiring the commencement of an action to recover upon the policy within one year from the date of the fire.

The judgment is affirmed.

Federal—*Czerweny v. National Fire Ins. Co. of Hartford*, 139 N. Y. Supp. 345

Goods "Held in Trust"

Under a policy on goods held "in trust," recovery could be had for the loss of matches stored with insured as a bailee for hire.

The assignee of the owner of matches stored with the insured as bailee for hire was the proper plaintiff in an action and under a trust clause of the policy for loss of the matches; the person for whose benefit a contract is made having the right to sue thereon, although not named therein.

Effect of Settlement

In the absence of waiver or estoppel, the plaintiff's rights in such case were not affected by a settlement between the insured and the insurance company with knowledge of the claim of plaintiff's assignor.

Trust Clause—Evidence of Insured's Intention—Competency

After H. J. bought certain merchandise from C., C. wrote, asking which of them should insure the merchandise, and H. J. replied for C. to do so. Thereupon C. took out insurance which was void by reason of his having parted with title. Thereafter a bailee for hire, with whom H. J. stored the merchandise, insured the contents of his warehouse under a policy containing a trust clause. After destruction of the merchandise by fire, H. J. assigned to C. his rights under the bailee's policy. Held, in an action by C. on the bailee's policy that evidence of the taking out of the void policy and of the prelim-

inary correspondence was not competent to show that the bailee did not intend to insure this particular merchandise.

The fact that a trust clause was inserted in an insurance policy covering the contents of a warehouse was strong probative evidence that the insured intended to insure another's merchandise, which was stored with him as a bailee for hire.

Policy

The intention of the parties to an insurance contract, even though extraneous evidence is permissible, must primarily be sought in the instrument itself.

Proof of Loss—Waiver

An unqualified denial of liability under the trust clause of a fire insurance policy waived the proof of loss stipulated for by the policy.

Missouri—*Ideal Pump & Mfg. Co. v. American Central Ins. Co.*, 152 S. W. Rep. 408

Ambiguous Contracts—Interpretation

Where a written contract is ambiguous, evidence of the existing conditions is admissible, and hence where a fire policy described the risk as a "one-story building with additions, on lots one and two," and it appeared that, at the time of the contract, the parties thought that lot 1 included the main building, evidence of that fact was admissible to show that the insurance covered outhouses.

Ambiguous Contract—Construction by the Parties

In interpreting contracts, the construction by the parties themselves is material, and consequently, where a fire policy described the risk as a "one-story building with additions," evidence that the agent of the insurer deemed outhouses to be covered by the "buildings," and that other insurance on one

of the outhouses was noted in the policy under the head of "other insurance," is admissible, not tending to vary the terms of the written contract.

Policy—Construction—"Additions"

Where a fire policy described the risk as a "frame building with additions," the word "additions" does not necessarily mean something attached to the building, and, where extraneous evidence showed that it was meant to include outhouses, the policy will be given the broader meaning.

Oklahoma—Phenix Ins. Co. of Brooklyn, v. Quinette Co. of Boston vs. Same, 128 P. 722

Forfeiture—Change of Interest

A person, after taking out policies of insurance on a stock of merchandise, payable to himself in case of loss, sold the stock, taking notes for the purchase money. The contract recited that the grantor "has granted, bargained and sold and by these presents does grant, bargain, sell and convey" the goods to the vendee, and the purchaser was placed in possession and allowed to sell the goods at retail. The contract also provided that the title should not fully pass until the notes were fully paid, and the purchaser was required to make weekly and monthly statements to the vendor showing the amount of sales and condition of the business. Held, that there was a change in the interest of the insured in the subject of the insurance, within the meaning of a provision in the policy that it should be void if any change should take place in the "interest, title or possession of the subject of insurance."

Avoidance—Ownership of Property

A vendor of a stock of merchandise, who places the vendee in possession with authority to sell at retail, is not

the unconditional and sole owner of the merchandise, and a policy of insurance issued to him is void, within the provision of the policy that it should be void "if the interest of the insured be other than unconditional and sole ownership," notwithstanding a provision in the contract of sale that the title to the merchandise should not fully pass until the notes given for the purchase price were paid, and another provision requiring the vendee to make weekly and monthly statements of sale to the vendor.

In *Rosenstock v. Insurance Co.*, 82 Miss. 686, 35 South. 312, the court said: "The vendor in a written land contract, who has admitted the vendee into possession and received from him large payments on the purchase money, is not 'the sole and unconditional owner,' within the meaning of that clause in this policy, although he retains the legal title. In *Strickland v. Kirk*, 51 Miss. 785, it is said: 'The vendor is treated by the courts as mortgagee, and his retention of the title operates as an equitable mortgage.'" The same rule is announced in *Hamilton v. Dwelling House Ins. Co.*, 98 Mich. 535, 57 N. W. 735, 22 L. R. A. 527; *Vancouver National Bank v. Law Union & Crown Ins. Co.* (C. C.) 153 Fed. 440; *Brecht v. Law Union & Crown Ins. Co.* (C. C.) 153 Fed. 452.

Most of the authorities upon this proposition are cases where the property destroyed was buildings, and as such were real property; but the same rule applies also to personality. *Vancouver National Bank v. Law Union & Crown Ins. Co.* (C. C.) 153 Fed. 440; *Pennsylvania Fire Ins. Co. v. Hughes*, 108 Fed. 497, 47 C. C. A. 459. Especially should it apply in a case of this sort, where the title was so far vested in the vendee as to give the right to sell the goods at retail.

There was no proof of consent by the insurance companies to the sale, or of waiver of the conditions.

The judgment should be reversed and the cause remanded.

Sub-Marine Cables.—There are now over 200,000 miles of sub-marine cables, the average cost of which is about \$1400 per nautical mile. Gutta-percha is the chief item of cost. Messages are electrically recorded with fine drops of ink projected on paper in a wavy line, from a tube of ink.

LIFE

Texas—Harde v. Germania Life Ins. Co. et al. 153 S. W. 666

Transfer to Creditor—Creditor's Rights

Transfer of a life insurance policy by a debtor to his creditor having no other insurable interest in his life, without reference to the form of such transfer, operates as a mortgage to secure the debt, interest, and premiums paid by the creditor to continue the insurance, with interest, such being the extent of the interest which the creditor can acquire in the policy, but to that extent the transfer is valid.

Assignment—Security for Debt—Limitations

Where a debtor assigned a life policy to his creditor, who had no other insurable interest in his life, and, being unable to pay the debt, transferred the policy to the creditor in full payment, the creditor became subrogated to an interest in the policy equal to the indebtedness, interest, etc., which was payable only when the policy became a claim by the death of the insured; and hence limitations did not begin to run against the creditor's claim until that date.

Limitation of Actions

Under the rule that a debtor who has pledged property to secure a debt cannot recover its possession, though limitations had run against the debt, until he tenders the amount unpaid, the beneficiary of a life insurance policy, transferred by the insured to his creditor in payment of the debt, could not plead limitations against the debt as a defense to the creditor's right to recover an amount equal to the debt and interest, etc., on the insured's death, without first tendering the debt, interest, etc.

Life Legal Brevities

Where a life policy when first issued by the home office was forwarded to the local agent under regu-

lations permitting him to deliver it to the applicant only if no material change had occurred in his health, its delivery by the local agent in Kentucky made the policy a Kentucky contract.—*Jefferson v. New York Life Ins. Co.*, 152 S. W. 780.

Under Ky. St. § 659, providing for the application of dividends to extend insurance after defaults in premiums, and the provisions of a "deferred dividend" policy, continuing the insurance, on default, for the time that the excess of reserve over insured's debt will purchase, deferred dividends not yet due are not available for such extension.

The "net value" of a policy, as provided in Ky. St. § 653, is equivalent to "reserve" and means that part of the annual premium which, according to the American experience table of mortality, must be set apart to meet the company's obligations to insured.—*Id.*

The term "dividend addition" means something added to the policy in the form of paid-up insurance, and does not mean unapportioned assets or surplus.—*Id.*

ACCIDENT

Arkansas—Fidelity & Casualty Co. v. Meyer, 152 S. W. 995

Liability—Cause of Death

Under a policy insuring against bodily injuries sustained through accidental means, resulting directly, independently, and exclusively of all other causes in death, the insurer was liable when death resulted when it did because of the aggravation of a disease from an accidental injury, even though death from disease might have resulted later, regardless of the injury, since, if death would not have occurred when it did but for the injury, the accident was the direct, independent, and exclusive cause of death at that time.

Construed Against Insurer

Where the language of an insurance policy was chosen by the insurer, it should be given that construction of which it is susceptible most favorable to the assured.

Warranties—Renewal of Policy

Where an accident insurance policy was renewed from year to year, sometimes by issuing a new policy and sometimes by renewal certificate, and the renewal policy last issued contained copies of the statements as to sound health and medical attention made at the time of the issuance of the original policy, and a warranty of the truth thereof, but no new application was made and the questions were not again propounded and answered, the warranty related to conditions as they existed at the time the statements were originally made.

Plate Glass and Liability are Casualty

"Accident and casualty insurance," as used in Laws 1911, c. 176, amending Laws 1905, c. 73, includes "plate glass insurance," so that if the amendment were valid, an insurer against the breakage of plate glass would have to comply with its provisions before it could receive a certificate from the state insurance commissioner.—*Metropolitan Casualty Ins. Co. of New York v. Basford*, 139 N. W. 795.

The state insurance commissioner may assume that a foreign corporation chartered to do an accident and casualty insurance business is authorized to engage in the business of employers' liability insurance.

The state commissioner of insurance will not take notice of the laws of another state.—*Id.*

Where Suit Must Be Brought Within 12 Months

A stipulation in a policy that no action thereon shall be sustainable, unless commenced within 12 months next after the fire, is valid and binding. *Maxwell Bros. v. Liverpool & London & Globe Ins. Co.*, 76 S. E. 1036.

Where a policy contains an unqualified limitation of 12 months from the time of fire in which to sue thereon, statutory limitations have no application; and the time should be computed from the date of the fire, and not from the accrual of the action.

Where a policy insured partnership property, the period fixed by the policy for the commencement

of an action thereon was not suspended during the insanity of a member of the partnership, existing after the loss occurred.

Where a suit on a policy was brought after the time limited therein for suit, a nonsuit was properly awarded.—*Id.*

Brokering Agent's Knowledge Is That of Company

Under Civ. Code an insurance agent who, because he could not write a policy in his own company, "brokered" it to the agent of another company was the agent of such other company, and his knowledge was imputable to it. *Maryland Casualty Co. v. Gaffney Mfg. Co.*, 76 S. E. 1089.

Declined to Submit to a Medical Examination

A promise to execute a life policy if, after medical examination, the maker of a note for the premium proves insurable, will not authorize a recovery on the note, where no offer has been made to deliver the policy, though the maker of the note refuses to submit to a medical examination.—*Alligood v. Daniel & King*, 76 S. E. 1083.

Real Estate Brokerage Decision

The agency of a broker employed to procure a purchaser within a fixed time terminates at the expiration of that time, unless extended.

The power of broker to give an option for a limited time, and to extend such time, is in the nature of a personal trust, so as to negative any implied power to appoint a subagent, for whose services the principal will be liable.

Where estate broker, merely under his general authority, employs a subagent to procure a purchaser, the principal is not thereby made liable for the subagent's commission.

Under L. O. L. requiring a broker's authority to sell land to be in writing, that an owner consented to sell to a purchaser procured by a subagent of his broker, with knowledge that the purchaser had been so procured, was not such a ratification of the subagent's oral employment as would hold the owner for the commission.—*Sorenson v. Smith*, 129 P. 757.

Won't somebody please write a book on First Aid to the Ignorant and send one copy to every member of the legislature?

CALIFORNIA LIFE BUSINESS IN PAST YEAR, 1912, WITH TOTALS FOR 13 YEARS

Name.	New Policies Written and Paid for			Policies Renewed.			Policies in Force Dec. 31, 1912.		Losses & Endow'ts Paid.
	No.	Amount.	Prem'ns	No.	Amount.	Prem'ns	No.	Amount.	
Etna	1020	\$2,352,433	\$ 74,265	4684	\$10,645,374	\$399,790	7221	\$15,594,607	\$275,852
*Bankers Life	257	694,000	14,209	15	41,000	1,272	11040	22,257,500	264,000
California Nat'l	321	1,006,947	38,952	200	798,650	11,636	521	1,845,197	1,000
California State	1868	7,361,500	308,819				1866	7,350,500	11,000
Columbia & T	51	168,117	3,287	17	22,299	1,021	68	190,416	
Continental National	299	346,648	13,887	645	1,848,037	55,580	854	2,393,685	5,000
Connecticut Mutual									
Equitable	1198	3,295,532	192,532	12904	36,626,944	1,597,298	14322	41,605,133	963,551
Fidelity Mutual	197	303,982	20,288	1906	4,898,715	176,665	2103	5,459,697	74,174
Guaranty	221	712,547	25,254	2151	4,640,739	171,897	2375	5,353,286	145,704
Hartford									
Horn	203	559,273	19,648	1717	3,648,284	149,727	1920	4,207,558	72,251
International Life									
Manhattan									
Massachusetts	259	869,921	26,484	1280	2,780,026	150,076	1539	3,649,247	63,381
Metropolitan	5516	5,081,623	142,852	18840	17,597,764	672,287	23,316	21,821,462	167,483
Missouri State	256	659,520	15,956	34	145,500	2,157	290	805,020	2,254
Mutual Life	1778	5,007,668	182,371	19738	48,303,114	1,555,015	22,516	53,310,792	997,652
Mutual Benefit	885	2,484,070	94,439	5153	15,123,921	584,878	6038	17,607,991	153,289
National, U. S. A.									
National Life	247	727,000	20,562			152,151	2240	5,398,522	77,892
New England	489	1,246,703	47,708	5091	10,592,287	345,738	5580	11,838,990	237,743
New World									
New York Life	2922	6,315,728	239,332	20338	44,205,884	2,135,097	25287	59,390,048	1,026,928
Northwestern	1378	4,148,380	148,144		35,169,243	822,885	15344	39,617,723	545,053
Occidental	1078	2,161,210	76,786	1967	4,664,462	161,185	3009	6,745,542	9,630
Pacific Mutual	2419	6,400,247	227,673	14542	31,810,859	1,372,051	20201	41,869,657	423,240
Penn			86,999			752,725	7869	21,331,139	202,328
Philadelphia									
Pittsburgh	272	1,505,658	15,433	867	2,128,632	77,537	1139	3,634,290	52,441
Phoenix	477	985,727	30,870	1961	3,374,206	173,788	2438	4,959,993	93,910
Prudential	552	1,342,134	37,904	3168	7,096,452	247,007	3700	8,638,587	62,415
Prudential	3056	4,434,769	113,271	8282	11,431,559	388,471	11230	15,876,311	165,703
Reliance	379	679,800	20,749	390	661,150	18,463	679	1,341,010	1,000
San Francisco	1244	3,996,080	117,644	632	1,865,650	89,768	1732	5,375,235	6,300
Scranton	306	1,006,350	22,872	368	1,078,000	26,391	430	1,143,360	2,500
Security	79	374,295	3,549	107	363,000	14,257	263	542,072	3,000
State	1016	2,322,873	10,447	3778	3,136,042	129,347	4794	3,510,247	15,000
Travelers	450	2,269,950	59,831	3778	9,112,724	397,632	4794	11,465,597	202,664
Union Central	158	269,000	40,594	2290	6,062,199	281,075	2740	7,332,149	202,664
Union Mutual	1267	2,291,312	86,650	1039	4,044,541	197,988	2965	4,313,541	55,040
West Coast Life	1893	4,419,350	166,206				3203	7,359,944	32,419
Western States					2,846,600	119,403	2932	7,265,950	29,678
Totals (Ordinary) 1912	27279	62,932,692	2,230,718	149659	323,163,982	12,497,561	185146	492,680,989	5,526,634
Totals for 1911	24965	54,379,797	1,844,010	27128	272,720,112	11,625,019	163297	391,875,291	4,666,892
Totals for 1909	21766	48,341,166	1,535,619	13867	246,396,960	10,811,959	156225	385,225,707	4,320,314
Totals for 1908	17236	40,568,218	1,284,974	115661	246,135,206	10,282,719	141802	303,651,156	4,275,310
Totals for 1907	17130	37,219,800	1,194,165	103603	227,917,367	9,781096	141091	303,038,634	5,056,817
Totals for 1906	21724	36,284,107	1,316,215	103991	238,212,096	9,528,228	139629	295,433,138	4,141,378
Totals for 1905	32701	51,364,852	1,954,049	89869	229,573,761	8,806,998	129046	292,875,726	3,496,191
Totals for 1904	35842	59,412,784	2,319,663	71633	207,041,612	7,919,512	129946	274,704,286	3,172,815
Totals for 1903	34666	55,139,540	2,258,994	59002	174,249,091	6,653,647	107815	239,838,747	2,901,732
Totals for 1902	21283	41,508,991	1,868,163	50068	163,483,687	5,778,122	83976	200,836,670	3,086,226
Totals for 1901	15251	32,950,280	1,362,902	43203	132,736,590	4,879,136	71800	176,271,625	2,975,897
Totals for 1900	14087	29,770,386	1,250,618	7905	118,758,268	4,432,794	6100	158,157,035	2,430,649
INDUSTRIAL									
Metropolitan 1912	41780	6,954,093	95,619	181570	32,430,204	1,111,051	230982	38,375,359	323,183
Prudential 1912	36761	5,610,506	65,748	56798	8,598,512	295,866	77555	11,657,556	61,426
West Coast Life 1912	19497	2,936,355	72,547			193,953	25705	3,742,758	36,068
Totals (Industrial) 1912	97978	15,500,954	163,915			1,560,871	334242	53,775,673	420,678
Totals for 1911	98844	13,816,366	204,644	202347	35,495,433	1,265,958	284062	46,092,104	354,328
Totals for 1910	90539	14,307,792	197,743	180633	31,979,211	1,087,672	241742	40,040,942	304,356
Totals for 1909	77104	10,647,380	125,353	151091	27,581,658	933,165	202435	34,406,886	275,575
Totals for 1908	57425	8,975,460	76,645	127825	23,857,499	813,811	165636	28,578,770	222,932
1907	32920	9,198,086	188,091	110994	21,353,411	728,496	149026	26,588,980	212,702
1906	59572	10,253,241	84,322	96839	18,536,291	656,356	125434	22,798,849	211,381
1905	45920	8,490,949	99,060	95270	18,366,288	636,645	123150	22,781,076	175,855
1904	44180	8,538,328	90,880	86106	16,712,793	576,272	112208	21,156,520	169,934
1903	43158	8,660,765	222,624	77081	14,955,494	384,451	99919	19,214,475	148,061
1902	69880	10,202,571	346,916	66098	13,104,177	447,103	92562	18,164,855	117,748
1901	29579	18,293,327				151,309	80603	13,644,260	30,593
1900	54304	10,554,720		33530	6,226,372	356,419	63876	10,000,127	6,699

† First week's premium only.

* Assessments received on Assessment Certificates, \$292,428.

Life Insurance

CALIFORNIA LIFE BUSINESS IN PREVIOUS YEAR, 1911, WITH TOTALS FOR 12 YEARS

Name.	New Policies Written and Paid For			Policies Renewed.			Policies in Force Dec. 31, 1911.		Losses & Endow'ts Paid.
	No.	Amount.	Prem'm	No.	Amount.	Prem'm	No.	Amount.	
Ætna	1097	\$2,612,744	\$ 76,452	4404	\$ 9,569,406	\$319,638	6794	\$14,445,703	\$194,454
Bankers Life	5	14,000	318				5	14,000	
California Nat'l Life	260	966,973	32,084				259	960,973	
California State Life									
Columbia Life & Trust	30	59,300	727	1	2,000	783	27	48,300	
Columbian National	276	686,792	8,478	427	1,359,520	45,085	703	2,046,312	8,000
Connecticut Mutual	200	455,810	1,111	3279	6,510,443	197,698	3479	6,966,252	188,869
Equitable	1673	5,171,377	212,831	11800	33,118,908	1,440,580	13384	38,368,922	827,100
Fidelity Mutual	151	492,981	14,916	1850	4,705,767	175,947	2001	5,198,748	82,261
Germania	238	717,025	24,998	2042	4,291,256	155,442	2280	5,008,281	128,237
Home	237	536,388	17,243	1607	3,467,498	144,468	1844	4,003,886	69,285
International Life									
Manhattan	76	192,642	3,116	930	2,029,300	73,892	1006	2,221,942	61,928
Massachusetts	161	471,162	14,662	1201	2,529,718	136,921	1362	3,000,880	95,133
Metropolitan	4397	4,333,720	128,786	15766	14,420,112	580,014	19338	18,066,962	121,396
Missouri State Life	39	158,500					34	145,500	
Mutual Life	1519	4,208,365	177,539	18628	45,241,239	1,485,547	20147	49,449,604	990,105
Mutual Benefit	609	2,013,129	90,694	4839	13,926,148	518,680	5448	15,939,277	155,959
National, U. S. A.	283	809,579	34,103	524	1,042,410	40,442	786	1,950,463	10,934
National Life	171	497,000	15,708				2128	5,063,869	86,832
New England Mutual	388	978,781	43,175	4945	10,156,077	332,630	5333	11,134,858	277,283
New York Life	2341	4,749,301	185,131	19365	42,718,579	2,019,620	23751	50,323,991	704,977
Northwestern Mutual	1072	3,762,200	124,624	13028	31,863,453	829,816	13933	35,186,267	328,866
Occidental	925	2,113,795	81,442	1511	3,848,402	137,629	2466	5,962,197	13,965
Pacific Mutual	2077	5,587,566	202,467	13905	29,576,930	1,296,717	19085	38,646,314	353,391
Penn Mutual	649	2,516,717	108,652	6977	18,249,283	672,398	7517	20,406,475	220,688
Phoenix Mutual	345	791,993	26,612	1761	3,570,344	48,361	2106	4,362,337	41,856
Pittsburgh Life	193	917,294	7,381	863	1,918,217	75,360	1056	2,835,511	49,441
Prudential L. & T.	466	1,324,750	36,638	2775	6,066,098	219,429	3241	7,390,848	71,251
Prudential	2480	3,235,635	107,882	6554	9,339,855	319,052	9997	12,838,643	54,490
Reliance Life	323	717,688	22,145	62	196,314	6,589	385	913,982	5,005
San Francisco Life	370	1,368,000	56,817	610	1,565,770	12,345	980	2,933,770	2,500
Security	116	200,830	4,474	134	329,170	12,187	250	530,000	8,976
State	108	530,287	7,806	676	3,011,917	118,737	784	3,542,204	19,500
Seranton Life	396	1,013,500	36,247	56	163,000	2,636	565	1,690,860	
Travelers	832	2,016,520	77,405	3297	7,943,597	270,932	4129	9,960,117	100,959
Union Central	351	994,700	30,274	2058	5,435,644	247,890	2409	6,430,344	127,308
Union Mutual	88	128,500	5,823	2905	4,196,047	148,671	2993	4,324,546	80,541
West Coast	1000	1,727,973	65,149			170,192	2465	6,067,176	32,160
Western States Life	1337	3,529,175	131,874	249	771,500	33,602	1586	4,300,675	4,000
Totals (Ordinary) 1911	27279	62,932,692	2,230,718	149059	323,163,982	12,437,561	185146	402,680,989	5,526,634
Totals for 1910	24365	54,379,797	1,844,910	127128	272,729,112	11,625,199	169397	391,875,291	4,666,892
Totals for 1909	21766	48,341,166	1,535,619	113687	246,366,960	10,841,952	156225	335,225,707	4,320,314
Totals for 1908	17253	40,568,218	1,284,974	115661	216,135,206	10,282,719	141802	303,651,156	1,275,510
Totals for 1907	17130	37,219,800	1,194,165	103603	227,917,367	9,781,096	141091	303,038,614	1,556,817
Totals for 1906	23734	36,284,407	1,316,215	103091	238,242,096	9,528,238	139629	295,433,138	4,141,378
Totals for 1905	32701	51,534,852	1,954,049	89839	229,573,761	8,806,998	139046	292,875,726	3,436,941
Totals for 1904	38542	59,142,784	2,319,663	71653	207,041,612	7,919,512	129946	274,704,226	3,172,815
Totals for 1903	31666	55,439,540	2,258,994	59002	174,249,091	6,653,647	107815	239,838,747	2,901,732
Totals for 1902	21283	41,508,991	1,868,163	50068	163,483,687	5,778,122	83976	200,836,670	3,086,226
Totals for 1901	15251	32,950,280	1,362,902	43203	132,736,590	4,879,136	71800	176,271,625	2,975,897
Totals for 1900	14087	29,770,386	1,250,618	7905	118,758,208	4,432,794	6100	158,157,035	2,430,649
INDUSTRIAL									
Metropolitan	37929	6,368,505	87,356	161752	29,363,691	993,158	204676	34,501,616	275,701
Prudential	32425	4,711,45	114,505	40595	6,131,742	149,029	58076	8,567,136	51,690
West Coast	19490	2,73,625	12,783			123,771	21310	3,023,352	26,929
Totals (Indust'l) 1911	89844	13,813,386	204,644	202347	35,495,433	1,265,958	284062	46,092,104	354320
Totals for 1910	90569	14,307,792	197,743	180033	31,979,211	1,087,672	241742	40,040,942	304,356
Totals for 1909	77104	10,647,380	125,353	151094	27,584,658	933,435	202435	34,406,886	275,575
Totals for 1908	57425	8,975,460	76,645	127825	23,857,499	843,817	165636	28,578,770	222,932
1907	53260	9,198,086	188,091	110994	21,353,411	728,496	149026	26,588,980	212,702
1906	53572	10,253,241	84,322	96839	18,536,291	656,356	125434	22,798,849	211,381
1905	45320	8,480,949	99,060	95270	18,366,288	636,645	123150	22,781,076	175,855
1904	44180	8,538,328	90,880	86106	16,712,793	576,272	112208	21,156,520	169,934
1903	43458	8,660,765	222,624	77081	14,955,494	384,451	99919	19,214,475	148,061
1902	60880	10,202,571	316,916	66098	13,104,177	447,103	92562	18,164,855	117,748
1901	82979	18,233,327				151,309	80603	13,644,260	30,593
1900	54304	10,554,720		33530	6,226,372	356,419	63876	12,000,127	6,2669

† First week's premium only.

ONE THING AND ANOTHER

A New York paper seriously says expert under-writers can pick out the place in every city where a conflagration will start which may burn itself out in the presence of helpless firemen, or words to that effect. It is wonderful! Experts picked out the old brick criss-cross Palace hotel in San Francisco "as the great conflagration breeder" and when in 1906 the fire attacked it the sturdy quake-defier burned so slowly and feebly that the spectators were disappointed. It is expected that another big American city is doomed by fire, and a long list of probable victims has been compiled. It includes New York, Boston, Hartford, Lawrence, Richmond, Mobile, New Orleans, Cincinnati, Philadelphia, Chicago, St. Louis, Kansas City, Seattle and Los Angeles. As Portland and San Francisco and Spokane are not in the list, we feel that they are threatened by the fire fiend. Such is our opinion of expert opinion.

* * *

One of the most remarkable developments of recent years is the extraordinary increase in the number of life insurance companies in this 97 million population country of ours. The limitation-of-new-business law of New York hardly accounts for the number of new "local" companies, nor do the wiles of the professional promoters who persuade investors to risk their profits and savings in life insurance stocks. What is the explanation? Promised profits? Possibly, partly. But the success of these new ventures, as to volume of new business, suggests another explanation. It is this: the average man of means wants his savings invested nearer home, and the local insurer appeals to him more strongly than the far-off company which does not call his attention to its investments in his section of the country. If I am wrong, correct me.

* * *

But I warn the investor that some of these new life companies, anywhere, will bear close watching. Not that their investments will be bad, but that their expenses will be too high. This may mean, ultimately, "Furberizing," meaning that wreckers will persuade him to withdraw at the sacrifice of part of his legal reserve fund. "History repeats itself," and it is history that such has been the case in the by no means far-away past.

* * *

Hooks in restaurants may now cease. If anybody hooks your hat or coat hanging on a hook,

the landlord is responsible; but if he has no hooks on wall or rack, then he can not be held liable for loss by theft. For thus rules an Eastern court. And if there be no hook how can a thief hook your coat or hat?

* * *

The average legislator seems resolved to drive the insurance agent out of business. It is now up to the agents to organize in one great society and make the average legislator stay at home.

* * *

I believe it well for legislatures to meet only once for one day in four years, and for legislators to be ineligible for re-election.

* * *

In San Francisco the new Insurance Exchange building is assuming such shape in steel as is imposing indeed. We should like to see some life company with a handsome suite of offices in this busy center.

* * *

The gains made in new life insurance business written in California last year were astonishing. They prove prosperity and increasing population. The state doubtless now has 2,700,000 permanent people, and in 1915 will have 3,000,000.

* * *

This year the Mutual Life of New York pays a million and a half a month in dividends to its policyholders. Truly, however, these dividends are liberal refunds, which word all life men should prefer.

* * *

I hear that Amonson discovered new tropics in Philadelphia.

INSURANCE THAT

INSURES

MAKES LIFE

WORTH WHILE

On Again, Off Again

Marshall Diggs resigned the presidency of the California State Life, to be succeeded by A. G. Folger. Then there was a hot box and the train left the track. Diggs is again the conductor and Folger is not even a brakeman. H. S. Bridgewater also resigned.

New Salt Lake Fire Company

Announcement is made of a new fire company in Salt Lake City, of which Robt. W. Sloan is to be the head. Of the \$500,000 capital and \$500,000 surplus, 20 per cent has been subscribed. All funds are to be turned over to the Agency Co. Among the projectors mentioned are W. S. McCornick, Judge W. H. Dickson, Duncan MacVichie, A. C. Ellis, Judge Wm. H. King and T. R. Cutler, of Salt Lake.

Agency Change at Sacramento

The Union Assurance Society of London has changed its agency at Sacramento, Cal., from the Carmichael Co. to D. W. Hobson Co. Inc. The Carmichael business will hereafter be shared by the Continental, Fidelity-Phenix and the Firemen's of Newark.

The Rocky Mountain Fire begins by investing \$55,000 in two lots, 50x150 each, in the home town. The lots have a house, which can be moved. A new office building, 8 stories high, is contemplated, with stores on the ground floor, and the second floor for the company's use.

Personal.—President Clark of the Ætna is making his usual occasional visit to this Coast and is now in San Francisco.

Assistant General Agent Sheahan of the Home leaves for New York today, for a brief visit.

Manager Lenehan of the Nord Deutsche (North German) is visiting this Coast.

W. Bennett Gough, secretary of the Arizona Fire, of Phoenix, has been visiting San Francisco.

General Agent Berdan of the North British & Mercantile, who has been visiting San Francisco for a few days past, is now on his way to that land of the blest, known as H. T., or Honolulu, Hawaii, pronounced short, Howahye.

The Sovereign having retired, C. J. Stovel has withdrawn from the Board of Fire Underwriters.

Death of A. G. Sanderson

General Agent Sanderson of the Pacific department of the Ætna Ins. Co. died on Sunday morning after a brief illness. He had been suffering from nervous break down, but was thought to be convalescent.

New Appointment

E. L. Ensign, formerly with the Northwest Loan and Trust Company of Spokane, has accepted a position as superintendent of agencies with the firm of Sexton-Lloyd Company, general agents for The Rocky Mountain Fire Insurance Company of Great Falls, Montana, and has already assumed the duties of that position. Mr. Ensign is not a stranger in Montana, as he lived at Helena five years and at Butte for the same period. At Helena he was manager for Ferns & Fraser, the successors to R. A. Luke & Co. Prior to that time he was cashier for Rickards & Ellis, managers of the Equitable Life Assurance Society. Before moving to Helena, Mr. Ensign was connected with the J. E. Rickards Co., Butte, at that time one of the largest agencies in Montana. The past four years he has been manager of the insurance department of the Northwest Loan & Trust Company of Spokane. Mr. Ensign is well acquainted among the insurance agents of both Montana and Washington, he having held the position of secretary-treasurer of the Montana State Association of Local Fire Insurance Agents and was one of the organizers. He also held the same position with the Washington State Association of Local Fire Insurance Agents.

22 Years for an Adjuster

Geo. C. Grutz, a New York adjuster convicted of complicity with the "arson trust," and causing tenement fires, was last week sentenced to 22 years and 6 months in the penitentiary.

General Agent Miller of the British America and Western Assurance has returned from Honolulu.

Vice President Kline of the Continental has been making his usual visit to San Francisco and other Coast points.

Wm. J. Dutton, president of the Fireman's Fund, has been elected president of the California Development Board.

George Hoadley Appointed Manager

George O. Hoadley has been appointed manager for the Pacific department of the American Insurance Company, of Newark, N. J., and the Rochester German Underwriters Agency, succeeding the firm of Gordon & Hoadley, who have resigned. For some time there has been a rumor of such a change.

American Union Fire in the Hands of a Receiver

Fails to Reinsure—Capital Lost—Impairment Nearly \$500,000

From the start a cripple, the lame American Union of Philadelphia has stumbled into the financial ditch, never to rise again. The company is impaired; the president, a foolish man, is deposed; and Francis Shunk Brown is the temporary receiver.

On January 1 this company claimed some \$49,000 net surplus and \$1,202,500 assets. The stockholders say there are \$1,019,854 assets and \$970,098 liabilities exclusive of \$160,000 unpaid loans.

The reinsurance deals, under consideration, "fell through" when the temporary receiver was appointed. Companies which had reinsured with the company promptly sought protection elsewhere.

All general agents are said to be stockholders of this embarrassed company.

The insurance departments of Pennsylvania and New York examined the American Union. Perhaps that is the reason the president sailed suddenly for Europe—just before the examination began.

The examiners found the reserve for reinsurance underestimated, and instead of a surplus of about \$49,000 as claimed, an impairment of probably more than \$460,000 was found. The capital was \$500,000.

All the officers have been compelled to resign. Somebody should be prosecuted for false swearing.

Will the Delaware Underwriters succeed under the same management as the late Delaware? Ask the Smith Mfg. Co.

Good Vices

Advice, service, device, and proper vice.

Breeding Appointed Assistant General Agent of the Aetna

Just as everybody expected, President Clarke has appointed W. H. Breeding assistant general agent of the Pacific department of the Aetna Insurance Co. When Mr. Morrison passed away, it was the general opinion that Mr. Sanderson would succeed him and that Mr. Breeding would succeed Mr. Sanderson. Assistant General Agent Breeding has been with the Aetna for some six years, as special agent in the Northwest and latterly as supervisor of agencies.

San Francisco Life Ins. Co. Enters Oregon

The San Francisco Life Insurance Company has just been admitted to transact business in Oregon. It is now licensed to do business in the Pacific Coast states Washington, Oregon, California, Nevada and Arizona. The company intends to develop these states more extensively before branching out elsewhere.

February, 1913, issued business was 80 per cent in excess of the February 1912 issued.

Wiring Made Defective by Heat of Adjacent Fire

In the recent fire on Post street, San Francisco (Gump's), the fire was caused by defective wiring. It is a curious fact that two weeks later another fire broke out on the premises and it was probably due to the same cause. The heat at the first fire was intense, being sufficient to break the glass over pictures some considerable distance from the blaze. An examination of the electric wiring now discloses the fact that the insulation was also badly damaged by the great heat.

Is it not probable that after every material loss an examination would prove the electric wiring of the building damaged by the heat and likely to start another mysterious blaze?

A new law in New York limits the titular use of "casualty," "surety" and "fidelity" to companies formerly under insurance on banking laws.

Equitable Life Meeting

The managers and other chief representatives of the United States throughout the United States met in general conference in Chicago last week.

Madero Insurance

The murdered president of Mexico, Francisco I. Madero, was insured in the Mutual Life of New York and the N. Y. Life for \$38,000. May require an official explanation of the assassination before paying the insurance, and later demand an indemnity from the government—whichever it may happen to be at the time.

Field Men's Notes

Catton, Bell & Co. of the Union Assurance Society have appointed Frank A. Stahl to a new special agency covering northern California and Nevada. Mr. Stahl has latterly been the chief surveyor of the Board of Fire Underwriters of the Pacific.

Rolin Kelley is not now connected with the Norwich Union office.

P. P. Fair Notes.—J. B. Levison, second vice president of the Fireman's Fund Ins. Co., has been appointed chairman of the committee on music by the board of directors of the Panama Pacific Exposition.

The piling of the fair grounds has begun. The ground being all filled in, by the hand of man or by wash from the hills, piles must be driven deep as foundations for buildings. As much as \$20,000 must be spent for piling for single buildings,

25,000 soldiers will walk to the fair grounds in 1915 and there compete in the military tournament and stretch their legs over a stretch half a mile long. We hope the ladies, not the Presidio golfers, are to be the judges.

Geo. W. Perkins of New York, formerly a great life insurance man, now a financier and a progressive, is in San Francisco.

Marine.—Recent marine losses, totaling \$3,000,000 yet to be paid, number 22, as reported in London. Foundered steamships are: Peter March, South Atlantic, Denbigh Castle, and Congo. The missing are: Santiago, Whittingham, and Eldorado. The stranded are: California, Coronation, Drageren, Hawkwood, Umegaka, Rosecrans, and

Salfordia. Wrecked or sunk are: Purus, Florence, Clan MacKenzie, Camdale, Workman, Oravia, Evelyn. The estimated loss on the Clan MacKenzie is \$1,500,000.

Acting for a Broker Makes One an Agent

Under Code 1906, making any agent of an insurance company, not having complied with the state laws authorizing it to do business, punishable, and section 2615 making one the agent of a company who does anything in consummation of any contract of insurance, one who transmitted an application, received and delivered the policy to assured, collected a premium, and transmitted it to a broker, was an agent punishable under section 1248.—Cain v. State, 60 So. 731.

American of Philadelphia Continues to the Bad

Scorched and withered by the San Francisco fire, from which it emerged broken and battered, this American Fire of Philadelphia reinsured and "resumed." But its reputation remained. Here are the losses incurred ratios: 1910, 62.3 percent; 1911, 62.5; 1912, 72.3. No dividends have been paid since 1905. Targets may be easily shot but the game seems not worth the powder.

The Hudson Bay Clan tells this Mark Twain story: Mark censured the multimillionaires for their extravagance. For example, "just consider these new traveling bath tubs, which are getting common on Fifth avenue." A reporter told Mark about them. He called on a cotton millionaire on Sunday morning. The millionaire told him about the wonders of the new house and its furniture and gold-plated plumbing. But he specially boasted of his "traveling" bath tub of onyx of a golden shade. "It runs by electricity," he said, "on tiny pneumatic tires." It came gliding into the magnate's room whenever he pushed the button. "Push it now," said the reporter. The rich man pushed the button, the door slid magically open, and the great onyx bath tub glided silently into the room. But in it sat the millionaire's horrified wife.

Portland, Or.—The three wooden tanks on the slope of Mt. Taber have been removed and in their place is a reinforced concrete reservoir of 200,000 gals. capacity, at 590 feet elevation.

FIRE INSURANCE

Concrete

The consulting engineer of the National Board says concrete was first used over 2,000 years ago, but the modern steel concrete dates back only to about 1896. A concrete building, like certain kinds of wine, grows better with age. Cinders (not locomotive nor gas house) are used in concrete for fire proofing purposes. The water used must be free from salt, alkali, and acid, otherwise the concrete building may be a failure. Sand used should contain not more than 2 to 5 percent of loam. Coal in the concrete, because of the sulphur, will combine with the water and cause disintegration.

Fire has a bad effect on concrete, however, and increases the loss. For this reason, some companies accept concrete risks reluctantly or not at all. The effects of earthquakes on concrete buildings are still problematical, though it seems likely that reenforced concrete is more resistant to quake waves than even brick cement-mortar walls.

Chicago Arson Trust

The man who is supposed to be the head of the "arson trust" in Chicago, John Danies, has confessed to setting twenty-five fires in that city. It is stated that he named forty members of the ring, including several higher ups. A half million dollars insurance money was collected from his incendiary losses. Benjamin Fink confessed complicity in a hundred incendiary fires.

In some cases these firebugs were unable to collect their pay or commission from the insured whose property they fired and who defrauded the insurance companies.

Public fire insurance adjusters are among the forty thieves for whom warrants have been issued.

These incendiaries operated in the Middle West, but do not appear to have extended their felonious work to the Pacific West.

A Foolish German City

The city of Halle-A-Saale, Germany, began in 1907 to "carry" its own insurance,

or thought it did—by setting aside \$5,000 in addition to its annual premium payments. As the 107 public buildings are appraised at \$5,000,000, the city of course has been and will long be uninsured. Therefore the burgomasters are gambling with fate. They are betting a small annual premium against all the way from a few thousand to \$5,000,000. They save possibly the commission which otherwise some of the citizens would earn and spend. These German fellows are no wiser than others, even if they do live in a university town. They should learn of San Francisco, which carried its own insurance and is now breaking its back to pay taxes on millions lost by lack of insurance on public buildings in 1906.

Sells Its Montreal Office Building

The Chronicle of Montreal

Following its general policy of disposing of all its office buildings shared with other tenants, the Liverpool & London & Globe Insurance Company has recently sold its office building in Montreal for the sum of \$700,000. The building is of nine stories and was completed in 1903. It has a frontage on St. James street of 67 feet and on Place d'Armes of 95 feet. As a specimen of modern business architecture, the building ranks very high. It is stated that the company will shortly erect a new building in Montreal to be occupied solely by its own business. This policy has already been carried into effect in New York and other cities.

Automobile Fire Decision

A fire policy stipulating that insured warrants that the automobile covered by the policy shall not be used for carrying passengers, or the policy shall be void, is breached where, with insured's knowledge and consent, his son for compensation which he received and retained, made trips with the automobile for passengers, whether the risk was increased or not.—100 N. E. 655.

**Civic League Committee's Report on
San Francisco Fire Insurance, Fire
Protection and Proposed Legislation**

Proposed Legislation is Destructive

SAN FRANCISCO, MARCH 13, 1913.

To the Officers and Members of the Civic League
of Improvement Clubs and Associations of
San Francisco:

GENTLEMEN—Your committee on fire insurance, fire protection and fire department, after careful consideration of all the bills before the state legislature affecting the business of insurance, desires to report that, with a few exceptions hereinafter noted, it finds them to be destructive instead of protective to the people of the state.

In the full appreciation of the fact that the duty of the Civic League is to procure legislation to protect the interests of the property-holder, tax-payer, merchant and manufacturer to the end that the *whole* community may prosper, we must, of course, oppose such measures as we are convinced are only destructive and not capable of any wholesome results and especially such measures as your committee knows, from a long and varied experience for the past thirty-eight years, are but curses in disguise.

We are satisfied that our legislative bodies at Sacramento, in the main, do not desire to indulge in the so-called play to the galleries, but are desirous of passing laws that will redound to their everlasting credit.

Lower Rates for Insurance That Insures

You are well aware that your committee, as was mentioned in a previous report, was enabled, with the assistance of others, to procure materially lower insurance rates. We appreciate full well the advantages to the community of lower insurance rates for insurance that insures, just as surely as we know what hardship can result from accepting policies at a low cost from irresponsible and weak insurers, and we hold that, instead of allowing the unsuspecting public to be enticed into paying premiums for insurance in irresponsible concerns, it should be the purpose of the legislature to control the amount of liability assumed by companies to such an extent that a 25 cent on the dol-

lar settlement, even as the result of a conflagration, would be unheard of.

Anti-Rating Measures

The proposed anti-rating association measures, with the avowed purpose of promoting competition, might have been desirable some twenty-five to thirty years ago when rates were made largely from individual opinion, but in these days of perfected schedules based upon years of experience no good can come of them. They would undoubtedly result in stifling competition by making the business so unprofitable as to drive the smaller companies entirely out of the field.

A number of Eastern insurance commissioners are now wrestling with the problem of whether any feasible plan of state rating can be developed and it would seem to be in very bad judgment for California to attempt, at this session, to pass an experimental law about which so little is understood, and which has, thus far, been so unsuccessful wherever tried.

Anti-discriminating laws, to which we will refer presently, if they can be so framed as to allow no partiality through political or other influence, are undoubtedly of great benefit. (Senate Bills 896 and 1378 and Assembly Bill 1564, are, on account of certain features embodied therein, inefficient.)

Recommendations

Your committee therefore makes the following recommendations and desires to stand on record accordingly so that the future may prove the wholesomeness of the action of the Civic League and hopes that our legislature will not make such an unfortunate mistake as that made by the voters of San Francisco in refusing to approve the recommendations of the League regarding a certain recent charter amendment.

It is unfortunate that the reference library proposed and advocated by the League some months ago is not a reality, but there are other sources from which reliable information is to be had. In this regard your committee believes that the opinion of Prof. of Economics Whitney of the University of California would be invaluable.

To profit by others experience we respectfully suggest a *modification* of the rating

schedule law passed by the state of Washington in 1911, also the section referring to rate wars to stifle competition and the section relating to rebates which are prohibited as being unfair to the small insurer, all excellent anti-discrimination laws.

Note.—The last item is covered by Assembly Bill 683.

We recommend the passage of Senate Bills 1485 and 1708 and Assembly Bill 1651, prohibiting companies from doing business through an underwriting agency in addition to issuing their own policies.

We also recommend the enactment of Assembly Bill 1858, encouraging safety funds by the insurance companies.

We *disapprove* of the following for reasons hereinbefore and hereinafter mentioned:

Senate Bill 42 and Assembly Bills 64 and 278, providing that any secret society, council or grange may issue fire insurance policies to members without being under the control of any state insurance laws or having any capital to back their promises. The security of policyholders would be a matter, in most cases, of extreme doubt.

Senate Bill 121 and Assembly Bills 1243 and 1854, providing that if a fire insurance company is a member of any association anywhere it shall pay its policyholders twenty-five percent more than the amount of the loss as due them. As every prominent English company is a member of the London Underwriters' Association and every prominent Eastern company of the National Board of Underwriters, this is an excellent inducement to incendiarism.

Senate Bill 122 and Assembly Bills 1242 and 1853, prohibiting any association of underwriters and even prohibiting any two agents from writing policies on the same property at the same rate.

Senate Bill 1477 and Assembly Bills 1043 and 1577, providing that, by a very expensive and complicated system, the state shall practically continue what it is doing at present—carry its own insurance on its own buildings.

Assembly Bill 1760, allowing municipalities to issue fire insurance policies to its citizens. San Francisco would have fared

very badly had such a law been in effect in 1906.

Senate Bill 622 and Assembly Bill 687 prohibits any person from doing business with any duly authorized insurance agent or broker when he chooses. It would be as consistent to dictate that merchandise, real estate, etc., should be bought and sold through certain designated local dealers.

We have to report that Assistant City Engineer Hunt informs us that the Twin Peaks reservoir will be ready for service in about one month.

Respectfully submitted,
G. TRITTENBACH, Chairman.

In the Land of Here

Of the twenty-nine charter members of the Fire Underwriters Association of the Pacific, organized in 1875, eight are living. They are: R. G. Brush, Robt. Dickson, Wm. Macdonald, R. H. Magill, E. E. Potter, Wm. Sexton, A. D. Smith, H. W. Snow. Five of these veterans are still actively engaged in insurance work.

Broker as Agent of the Insured

A broker, who is employed to secure insurance, is the agent of the insured, and not of the insurer.

After delivery of policy by broker to insured, his authority to deal with the insurance ceases.

Possession of a policy by broker is the test of what he may do therewith, and what notices will be held binding on insured, if sent to the broker.

In an action on policy returned by broker soliciting it, because of plaintiff's failure to pay the premium, plaintiff held not entitled to recover, for want of a legal delivery of such policy.—*Morriss v. Home Ins. Co.*, 139 N. Y. S. 674.

—The destruction of much property by a dynamite explosion in a town in Scotland reminds us anew of the disastrous possibilities of such an explosion, as regards fire insurers. Exploding dynamite may rend water mains or cracks in reservoirs and put an entire fire department "out of commission."

LIFE INSURANCE

When Does Competition Cease?

From Pacific Mutual News

Agents do not agree in their answers to this question. Some contend that competition should cease when the application for insurance is signed, others when the examination has been made, and still others claim that a case is open to competition until the policy has been actually delivered and paid for.

The question is not an easy one to answer because of the varying practices of agents in securing business. Many agents secure first the application, then the medical examination, while some reverse this order. Some agents secure the settlement with the application and others defer the settlement until the policy is delivered. We have heard agents tell the prospect that he need not decide as to whether he will take the policy until it has been actually delivered to him for his inspection. This lack of uniformity in methods of securing business makes it difficult to lay down a hard and fast rule as to just when all competitors should consider the case closed and no longer open to legitimate competition.

Competition may appear in a case before the party has taken any steps towards obtaining insurance, or competition may appear after the party has signed up for a policy and at any stage in the process right up to the delivery of the policy. Speaking generally, the latter competition is not legitimate; the former is legitimate but it ceases to be so as soon as the party seeking insurance has expressed a preference for a particular policy or company in some unmistakable way. The signing of an application should be considered such an expression, and when that act has been performed other agents, if they are honest competitors, will retire from the case.

The loose ideas and practices concerning competition which are so common have been encouraged by the fact that agents frequently cause the prospect to regard signing the application as a trifling matter. If an agent encourages a prospective

insurer to treat lightly his signature on the dotted line and competition afterwards enters and he loses the case, we have little sympathy for him. He receives a just recompense for his loose methods. The agent should be serious in this business of securing applications, so dead in earnest that he will impart the same spirit to his prospect. If competition appears before he secures the coveted signature on the application, both he and his prospect are very likely to be dead in earnest when they get to that point, if they ever do. It would be a great deal better for a good many agents were there more competition as it would make them more serious and less prone to resort to loose methods in securing business. *

Our answer, therefore, to the question propounded at the outset—When does competition cease? is this: Legitimate competition ceases as soon as the prospect has expressed an unmistakable preference for a particular policy and company, which is evidenced usually by signing an application. Any competition that develops after the application has been signed is not legitimate. The agents should encourage the prospects to regard the signing of an application as equivalent to giving his promise that he will complete the business, and they should cultivate such high principles of honor in dealing with each other that they will invariably withdraw from a case in competition as soon as a fellow agent has secured such a promise from his client.

The Man Who Leads

A cordial greeting to the man
 Who finishes in foremost place,
 Who thoughtfully conceives his plan,
 And makes and wins a splendid race.
 The new year brings another test
 For leadership; he aims to make
 The winning goal—to do his best—
 His reputation is at stake.
 Give honor then to him who tries
 The uphill climb to better things,
 Determining to win the prize
 An annual contest always brings.

—Prudential Record

INSURANCE OF ALL KINDS

SPRINGFIELD F. & M. INS. CO.

Very Large Gains in Assets, Surplus, Reinsurance Reserve and Premiums—Is Now an 11-Million-Dollar Company

The year 1912 was very friendly to the Springfield F. & M. Insurance Company. But that is the usual story. Not only were large gains made in business and resources, but a handsome underwriting profit was made on the net transactions after allowing for the increase in unearned premiums.

Losses and expenses left a balance of \$621,134 out of the \$5,456,731 premium income. The increased reinsurance reserve and the usual dividends on the \$2,000,000 stock were cared for by the \$465,398 income from investments. The underwriting profit was added to the surplus funds for the further protection of policyholders.

The total income of the company now places it in the 6-million class in this respect, and the great gain of \$648,845 has made it an eleven-millionaire. As to reinsurance reserve, the company is now in the 5-million class, and as to policyholders' surplus, it is a three-millionaire, having moved from \$2,870,708 to \$3,266,054.

All these figures show prosperity as well as growth. The Springfield is one of those good-record companies whose policyholders may change their brokers but always insist on a renewal of their policies in the company which has treated them well in the past.

In this Coast field the Springfield increased its income and decreased its losses, the past year being a favorable one, and yielding a good underwriting profit. The Pacific department is in

charge of George W. Dornin as manager and John C. Dornin as assistant manager.

At a Congressional Inquiry Jimmie Stone Posed as an Injured Innocent

"You are willing to give information about your business?"

"We are willing to answer all reasonable questions," said Mr. Stone (president of the since busted American Union), "but Best imagines all new insurance companies must answer every question he asks. We suffered tortures from this man's persistent efforts to make us tell him everything we did."

Chairman Johnson, with decided emphasis, asked:

"Is it not because this man had a paper," the columns of which you were afraid of if you did not give in to his unreasonable demands, which worried you?"

"Yes, exactly," said Mr. Stone.

"Has Best any official standing which entitled him to demand such information?"

"Not that I know of."

"I thought when he testified," commented Chairman Johnson, "that he was a presumptuous, self-constituted censor and that insurance men were afraid of him because of the columns of his paper."

"You are exactly right," said the witness. "We suffered a series of persecutions from Best."

Mr. Johnson asked if insurance people would comply with Best's demands for information in the event he did not publish a paper. Mr. Stone thought not. "I may be jeopardizing myself, now, in making these statements," said Mr. Stone, as he left the stand.

After this two state departments made an examination of Mr. Stone's good little persecuted company; but he was not present, for he had urgent business in Europe or Canada. His company is in the hands of a receiver, and his stockholders may not recover a dollar of their investment.

1849—Incorporated in 1849—Charter Perpetual—1913

Springfield

Fire and Marine Insurance Company

Of Springfield, Massachusetts

~~~~~  
**STATEMENT JANUARY 1, 1913**

|                                    |           |                         |
|------------------------------------|-----------|-------------------------|
| Cash Capital all Paid Up,          | - - -     | \$2,000,000 00          |
| Re-insurance Reserve,              | - - -     | 5,001,291 22            |
| Reserved for all Unsettled Claims, |           | 789,347 73              |
| Net Surplus                        | - - - - - | <u>3,266,053 71</u>     |
| <b>Gross Assets,</b>               | - - - - - | <b>\$ 11,056,692 66</b> |
| <br>                               |           |                         |
| Increase in Gross Assets,          | - -       | \$648,845 01            |
| Increase in Re-insurance Reserve,  |           | 210,492 82              |
| Increase in Net Surplus,           | - -       | 395,346 10              |
| <br>                               |           |                         |
| Surplus to Policyholders,          | - -       | \$ 5,266,053 71         |
| Losses Paid Since Organization,    | -         | 55,532,404 38           |

PACIFIC COAST DEPARTMENT

*Kohl Building, - - San Francisco*

**GEO. W. DORNIN**

**JOHN C. DORNIN**

MANAGER

ASST. MANAGER

~~~~~  
SUPERINTENDENTS OF AGENCIES

GEO. C. CODDING

FRANK H. YOUNG

J. E. CRANDALL

J. F. R. WEBBER

C. H. ANDERSON

L. B. ROGERS

Agenies in All Prominent Localities Throughout the United States and Canada

Wissenschaft

Wissenschaft ist die systematische Erforschung der Natur und der menschlichen Gesellschaft.

Die Wissenschaft ist ein Prozess, der sich über Jahrhunderte hinweg entwickelt hat. Sie ist die Grundlage für unser Verständnis der Welt und für die Entwicklung neuer Technologien.

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COLLECTIONS

A Paper by Grayson Dutton, City Manager Fireman's Fund Insurance Co., San Francisco, Read at the 37th Annual Meeting of the Fire Underwriters' Association of the Pacific

In taking up this subject I do so with some misgivings, as I am fully aware that it is one on which wise men think much and say little

The rule of the Board of Fire Underwriters of the Pacific is that premiums on all policies shall be paid by the 15th of the second month following that in which the policies are issued. This is the credit rule as practiced in practically all territory west of the Rocky Mountains. Throughout the East credit is allowed in general as follows:

In the city of New York the rule is practically the same as in San Francisco, that is, payment before the 20th of the second month following that in which the policies take effect.

In Troy, Albany and Buffalo and some other cities, the rule demands that premiums be paid on the 20th of the month directly following the issuance of policies. This is a step in the right direction and should be encouraged.

In the Central states premiums are delinquent forty-five days after the close of the month in which policies are written.

The Southern states have no regular rule. Anderson, South Carolina, allows sixty days from date of policies, while in Norfolk, Virginia, and Tampa, Florida, premiums are demanded within thirty days from the issuance of policies. This last rule is by far the best and is one we should all foster.

The credit rule of wholesale mercantile houses generally grants a discount for cash in ten days, but demands net payment within thirty days. Wholesale butchers demand full payment every two weeks on penalty of refusing delivery to delinquents. The automobile factories insist upon part payment of the bill on placing the order, and the balance before the cars are released from the railroad—practically a cash transaction.

In years gone by, merchants gave from sixty to ninety days, while the insurance policies read:

“In consideration of the stipulations herein named and of
“\$. . . premium, receipt of which is hereby acknowledged.”

The public called for their policies, paid the premium on delivery and thought it no hardship. The life companies today demand a note for the first year's premium on signing an application. The applicant signs, as a matter of course, and would be likely to doubt a company that did not demand it. We write policies and wait from sixty to eighty days, depending on the date of the policy, then if the premium is not paid, and we are paying strict attention to Board rules, send a cancellation notice to the insured, wait five days according to the contract, and mark the policy off as dead. The company has gone to the expense of writing a policy, carrying the risk from one-sixth to one-fourth of a year and in the end there is nothing to show for the transaction but a deficit. How many of us ever top to figure out the amount of earned premiums we have been beaten out of by the people who play this game on one company after another time after time? Do you think mercantile firms would stand it? If you do, get

poor credit in one store and then try to open an account in another and see what will happen. Still, we who carry on the vocation that makes business possible, will deliberately and knowingly, let certain of the public work us time after time and in no way try to stop the leak. Is it any wonder that the public has such small regard for the insurance business and insurance men in general?

MORTGAGE CLAUSES AND BANKS.

We have mortgage clauses on policies held by banks; they, on account of concessions in the clause, guarantee to pay any premium due and not paid by the insured. When the premium becomes delinquent we go to the bank and request the money. Instead of paying, they say "send a notice to us and to the insured," which means the expenditure of about fifty cents per policy. We send these notices despite the fact that the contract agreed between us says distinctly that they shall pay on demand. This demand on the part of the banks is one of the many impositions put upon and stood for by the companies, which should be avoided.

There has been a great deal of comment on the expense of our business, and I think if we would go well into it we would find that our own mode of credit and collections, or non-collections, is one of the largest of our illegitimate expenses. The premiums on all policies with mortgage clauses, or where they are payable to banks or other institutions with whom we have agreements, should immediately on delinquency be paid without further delay or expense, and all other earned premiums at the termination of the five days' grace granted by the policy, be given to some collection agency, for we are not dealing fairly by our clients who do pay in making them shoulder the burden of expense of the dishonest, dilatory procrastinator, intentionally or otherwise. There should be on each policy a rider reading in general as follows:

"If this premium is not paid within thirty days from the date of commencement, this policy will stand cancelled and no liability for loss thereunder will be admitted."

In looking over business credit rules, we find that where mercantile houses are getting more and more nearly on a cash basis, we, on the other hand, are back where they were seventy-five years ago, and still retrograding. Why should we, with our small margin of profit, represent the only legitimate business that extends its credit to a greater scope year by year? Unless this matter is taken in hand, sooner or later, it will come to the breaking point, with credit extended to such an extent that many changes will take place in the underwriting world before the tide turns and it is brought back to a reasonable point.

The insured demands and the law exacts that we pay our losses within a stipulated time, but the law entirely ignores the payment of premiums, and the man who is the slowest to pay his premiums is the most keen on the collection of his loss. "What is sauce for the goose is sauce for the gander," and as the law compels us to pay our losses within a given time, it should also limit the time for the payment of premiums. As, however, this point is entirely ignored, it is for us to fill the deficiency with laws of our own.

FOREST FIRES

*From a Paper by Percy J. Percy, Special Agent London Assurance Corporation,
Read at the 37th Annual Meeting of the Fire Underwriters'
Association of the Pacific*

The forest fire evil makes itself felt throughout our industrial life. Timber burned means an ultimate raise in cost on goods hauled by railroads, because of the lack of outward freight; payrolls are affected, both directly and indirectly; the price of lumber used in mines, buildings, boxes and for fuel is increased and the products involved are influenced correspondingly; the value of property is lowered for taxation; soil value is diminished; stream flow is influenced, and lives destroyed. The life of the timber business is reduced and the prosperity of the people diminished. As 80 per cent of the value of lumber lies in the labor thereon, these fires are of interest to everyone.

Forests tend to regulate the flow of water from water sheds, thus protecting all those activities that depend upon a clear and regular supply, or that are liable to injury from floods or irregular runoff. To prevent the choking of ditches, water for irrigation must be without silt. To develop power, it is advisable to have a uniform flow.

In addition to the loss of timber by fire there is the destruction of the forest covering of humus or duff. The chemical nature of the soil is affected by the intense heat. Burning forests cause air pollution second only to violent volcanic eruptions.

We should remember that lumbering is fourth in the great industries of North America, surpassed only by food and similar supplies, textiles, iron and steel and their products. The fact that the money involved in its exchange is largely drawn from outside sources lends the subject additional importance in the eyes of timber communities.

CAUSES OF FIRE.

It is interesting to learn from reports that the majority of fires is due to carelessness and that nearly all are preventable.

The causes by order of importance are: First, donkey engines and locomotive sparks; second, campers and fishermen; third, careless smokers; fourth, land clearing and brush burning; fifth, burning to improve pasturage; sixth, incendiarism, and seventh, lightning. The forestry service states that the latter cause is responsible for 18 per cent of the fires in the forest reserves. Trivial circumstances have contributed to forest fires. They have been known to start from sun's rays on broken glass.

Elimination of Causes—

For the elimination of the causes of fire, the following suggestions are made:

In logging work the donkey engines should be provided with spark arresters, and a watchman should be provided during the dangerous season. (The lumbermen's donkey engine is the greatest cause of forest fires.)

Installation of spark arresters in engines; care of dump of ashes; clearing of right of way along railroads, and the use of oil and electricity in locomotives.

Railroad companies should install fire fighting apparatus; furnish employees without cost in case of fire starting on their right of way; permit the use of their speeders, and instruct employees to notify forest officials in case of fire.

Proper Organization of Forest—

This includes the proper disposal of slash, which, if left unburned, is a great menace to surrounding timber and other property. In the dense forests of the Pacific Coast it is impractical to pile the brush, which is the proper method in other parts of the country. Here, it should be burned in blocks, with fire breaks cleared to the mineral floor. On slopes it is safest to start fires on the up-hill side, or next to the green timber. To insure safety this work should be placed in charge of a good crew and an experienced foreman.

Slashings should be burned the season they are cut. The time of burning depends on weather conditions. The fall season is preferable. A calm day should be selected, when the slash is not too dry. Dead snags should be cut down, as they tend to scatter sparks among the trees.

To assist the work of rangers and fire fighters, it is necessary to open forest roads with branching trails so that access may be had to the entire district. Lookout stations of permanent construction should be established on high peaks overlooking all heavily forested valleys. The watchman in charge during the dry season should be equipped with a mounted map, compass, telescope and signalling devices. A telephone system is very desirable, enabling all fires to be reported to one head, who can direct the men and supplies. In the absence of telephones, prearranged code signals are used. This mode comprises signals with fire, smoke, heliograph, windmill with mirror attachment, flags and torches.

Adequate Supervision—

The purpose of this work is fire prevention, prompt detection and adequate fire fighting.

The government has a forestry branch which is under the Department of Agriculture. Its organization includes a chief forester, district foresters, supervisors, rangers and extra men when needed. This force is augmented by the state fire wardens and deputy wardens, with a corps of laborers. In addition to these bodies, the timber owners, through the joining of their associations on the Pacific Coast, have formed the Western Forestry and Conservation Association, in charge of a chief forester. The state associations have organizations of patrolmen, who are made deputy fire wardens by the state. These three forces are working in excellent harmony. They realize that their strength lies in co-operation.

The first requisite in a plan for fire prevention is a thorough knowledge of the district covered. The ranger should know what his territory can produce in men, pack animals and supplies. His duties are to cover forests, establish fire lines, watch slash fires, organize men in the districts into fire fighting bodies, keep up notices concerning dangers and laws, clear roads and trails, repair lookout stations and to educate the people to an appreciation of the dangers of carelessness. Rangers have the power to summon aid for fires beyond control, and arrest without warrant for violation of the fire law.

Permits for burning should be obtained by applicants from the state forestry department or association rangers and should be for a short time only. Persons setting fire without permission should be liable to arrest and fine for any ensuing loss. Caution is necessary in hazardous localities, such as the vicinity of logging camps, along railroads, in a community of malcontents, and near camping grounds; but protection is most needed where great values exist. This fire patrol system is necessary in all forest sections. It should be maintained by a tax per acre with help from the government and state.

Facilities for Fighting Fires—

There should be a competent man in charge, a number of regular rangers, adequate force of laborers, sufficient tools, a camp cook and plenty of food. A portable telephone is very useful.

Where extra men are used, arrangements should be had prior to the season as to wages, distance they may travel and the circumstances under which they may be called. The wages should be good, but not enough to induce incendiary acts in order to prolong the season. Payment should be made by check in the field. Prompt settlements insure the confidence and best efforts of the men. If United States troops are called upon, they should be reimbursed for any clothing destroyed. Practical experience has proved that the most effective tools are the cross cut saw, ax, mattock, shovel, collapsible bucket and small hand pump.

* * *

LEGISLATION.

To bring about the desired reforms in the forest problems good legislation is necessary through our representatives in Congress and state Legislatures.

A State Forest Code is outlined below:

- 1—A state board, chosen for efficiency, without political bias. The members chosen from forest schools, lumbermen's associations, conservation societies and federal service.
- 2—A state forester, able, trained and independent of politics, with the power of choosing one or more associates.
- 3—Forest service given liberal support.
- 4—Forest conditions studied.
- 5—Active popular education started.
- 6—Application of forestry principles to the management of state-owned forest lands and the purchase of cut or burned over land to be converted into forest.
- 7—Improvement and strict enforcement of laws against fire and penalty for violation.
- 8—Tax on deforested land, on land values only, and tax on new growth when cut.
- 9—Study of taxation of standing timber to get best results.

HISTORIC FOREST FIRES.

- October, 1825, Miramichi, Maine and New Brunswick; area burned 3,000,000 acres; 160 lives lost.
- 1837, Sebcois, Maine, 130,000 acres.
- 1846, Yaquina, Oregon, 450,000 acres.
- May, 1853, Pontiac, Quebec, 1,600,000 acres.
- 1860, Nestucca, Oregon, 320,000.
- 1868, September, Coos, Oregon, 300,000 acres.
- 1868, September, St. Helen, Washington and Oregon, 300,000 acres.
- 1871, October, Peshtigo, Wisconsin, 1,280,000 acres; 1500 lives lost.
- 1871, October, Michigan, 2,000,000 acres; \$10,000,000 loss.
- 1876, Big Horn, Wyoming, 500,000 acres.
- 1881, September, Michigan, 1,000,000; 138 lives lost.
- 1891, May, Comstock, Wisconsin, 64,000 acres.
- 1894, July, Phillips, Wisconsin, 100,000 acres; 133 lives lost.
- 1894, September, Hinckley, Minnesota, 160,000 acres; 418 lives lost, \$25,000,000 loss.
- 1902, September, Columbia, Oregon and Washington, 604,000 acres; 18 lives lost.
- 1903, April-June, Adirondack, New York, 450,000 acres; \$3,500,000 loss.
- 1908, August, Fernie, B. C., 64,000 acres; 9 lives lost; fire loss in city, \$5,000,000; insurance loss, \$2,000,000.
- 1908, September, Chisholm county, Minnesota, 20,000 acres.
- 1910, August, Great Idaho, Idaho and Montana; 6,000,000,000 board feet loss, value \$20,000,000; 1,500,000 acres; insurance loss Wallace, Idaho, alone about \$150,000. The fire extended 100 miles in length and 40 miles at widest point; 85 lives lost.
- 1910, Baudette, Minnesota and Ontario, 300,000 acres; 42 lives lost.

PRACTICAL SUGGESTIONS FOR CONDUCTING A LOCAL AGENCY

From a Paper by Walter P. Porcup, Special Agent Edward Brown & Sons, Read at the 37th Annual Meeting of the Fire Underwriters' Association of the Pacific

In my opinion it takes a well-balanced and clever man to go on week after week, month after month, and year after year, and notwithstanding sharp business rivalry, secure more than his own share of the business. There are other qualities, naturally, that enter into consideration in the making of a successful agent. I have studied the matter carefully, for years closely observing the many agents I have come in contact with, analyzing their methods with a view of picking out their weak and strong points; at the same time seeking an explanation for the success of some and the failure of others. I have come to the conclusion that the agent who deals fairly and squarely with his clients, who never misrepresents, who is punctual and keeps promises when made, no matter how hard it may seem at the time to keep them, who does not forget the little courtesies and kindness of everyday life, and, for that matter, of business, will win out under the most strenuous competition.

It will not be long when those who represent fire insurance companies will be trained men, and the local agency will not be a side issue to receive attention only when the special agent calls.

In talking about your agency, add the assets and capital of all your companies into grand totals. This is an effective way of demonstrating strength and ability to write large lines. If representing only one company make it distinctive and a part of your name. There are a good many agents who represent only one company and write a large business. By making the name of the company a household word a large portion of new business will seek the company.

There are two things which the agent should emphasize in his arguments to secure new business. These are service and companies. This is taken, of course, that he has the real qualifications to offer.

Service is that phase of the business which gives you the opportunity for the actual rendering of professional, expert service. Show the prospect your service record, concrete instances of how you have saved your clients money by giving them counsel in the selection of companies, forms of policies, and in improving their risks through inexpensive betterments, securing thereby reduction of rates. Make service a feature of your business, talk it and advertise it, and your agency will stand out distinctive among all your rivals.

The agent who succeeds is the man who is continually adding to his fund of information and using it to a good purpose. Insurance knowledge is limitless, and the oldest and most successful man in the business will confess to still having much to learn.

SOURCES OF BUSINESS.

Many clients. That is the secret of building up an agency. These can be summed up under three heads, those who are fully insured, those who are partly insured and those who are not insured.

Those carrying insurance with other agents can be persuaded to give you at least a part of their business, and, ultimately, their entire line, while those partly and those uninsured, through persistent cultivation, will become your clients. The average agent may not classify his prospects in this manner, but he must recognize that nearly every person in his territory is open for solicitation. Naturally, the agent's greatest source of securing business is among his friends and acquaintances. However, he should plan a system in his daily work, to make news items and the gossip of the street pay. From these he gathers such data as building permits, real estate transfers, expansion of mercantile houses, mortgages, marriages, fire losses and the new comer in his midst.

Fire losses gathered from the news items generally indicate rebuilding, the replenishment of stocks of goods, household furniture or manufacturing equipment, all necessitating new fire protection. Possible dissatisfaction with the loss adjustment, through ignorance or carelessness of the former agent, drawing up a contract that did not cover, will often give entry to the control of a large line where his former solicitations were in vain. A fire loss also often offers opportunities for canvassing nearby residents; the persons who for a few days, have the fear of a fire uppermost in their minds can be easily persuaded to insure.

Transfers of property all suggest a prospect of writing lines for the new owners, the change of ownership presenting new conditions which make it possible for the agent to secure business where his former efforts were not successful. For advance information in working up this class, a daily visit to the offices of recorder and county clerk will contribute additions to the agent's list of possible clients.

By keeping in touch with banks and private parties loaning money much business may be secured, as collateral security is always demanded.

These, to some extent, are the general sources by which the agent may build up his business.

SYSTEMATIZING THE OFFICE.

Card systems are now almost in universal use, and wherever they have been substituted for the old burdensome ledger account and policy registers it has been found that the business is handled more efficiently. When a daily report is made out it should be duplicated, the copy containing the data, even to the diagram, filed away, to be used for reference whenever needed. This system of "duplicate daily reports" also has the advantage of an expiration file, which practically insures accuracy in not overlooking the renewal.

It is an unpardonable offense to allow a policy to actually expire before its renewal is solicited, yet how often does this occur when the agent is dependent upon the old style policy register. Further, it is a humiliation when you finally call on your client to find that your competitor has already secured the business, and that your former client is now a permanent one of your rivals.

A clipping file, designed solely for collecting and classifying sources of prospects, is indispensable. Putting this file to use is a simple matter. An agent hears, for instance, of a possible building to be erected three months hence. This information is jotted down and dropped behind the guide card a month ahead of whatever date he selects for the initial call or follow-up as the case may be. Something tangible being developed the information is then placed in the more systematic "prospect file," where the case can be more thoroughly watched. Later, the agent succeeds in writing the prospect a policy when, naturally, the card now becomes a client record, and it is removed from the prospect file to a file which keeps tab of his expirations. From day to day he shifts the cards in the clipping and prospect files, until the prospects become clients or "dead names."

* * *

ADVERTISING.

The agent who sends out each year the usual blue or red standard calendar with a picture of Washington crossing the Delaware on it is soon forgotten, the recipients hardly giving it a second thought. The calendar should be a valuable advertising medium; however, to make it forceful and effective the agent must individualize it. It must be useful and artistic and his name should stand out prominently, so that it will command continuous attention. One of the prominent agents of the Northwest mails a folded postcard each year to his clients and prospects, informing them that if they

will return the other part of the postcard in person, they will receive a valuable calendar, which would be soiled in mailing. When the prospect or client calls at his office, he either renews acquaintance with an old client, or secures the prospect's list of expirations as well.

Blotters, similarly individualized, mailed at stated intervals, to both clients and prospects, bring results.

A letter to large property owners making much over the fact that policies of various companies have certain limitations and offering to explain to anyone who may call just what their policy does and does not cover, is effective advertising. While comparatively few people take their policies into the office, of course, it gives the wise agent the "he knows" impression, and helps him to get policies on expiration.

The most effective manner for an agent to keep his agency before the public is through the medium of the daily newspapers and the local building trades papers. Reading notices are, to my mind, more effective than large display advertisements. When a loss occurs, exploit and advertise the prompt settlement of the claim. Insert a reading notice something like this: "Through Jones and Jones, the fire insurance agents, Mr. Blank received a check for \$3000 in full settlement of his loss; forty-eight hours after the fire, Jones & Jones placed the money in Mr. Blank's hands, thereby establishing a local record for prompt payment." Such notices have a tremendous power in influencing patronage and the immediate closing of promised business.

Some agencies make a practice of securing a signed statement from every man to whom they pay a loss claim and insert them in the newspapers as a reading notice.

Again, these statements will bring results if mailed to a carefully selected list of property owners.

There are many arguments to be used in advertising; however, the paramount aim is for the agent to make his advertisements forceful and original, thereby individualizing himself.

UNIFORM INSURANCE BLANKS AND POLICY FORMS

*From a Paper by Walter F. Keene, Insurance Examiner, Seattle, Read at the
37th Annual Meeting of the Fire Underwriters'
Association of the Pacific*

For a long time the agents have been asking for assistance in the reporting of their business to the home offices. Not only to save their own time and energy but the company's as well. From what little experience I have had in the business, the apparent reason for the reluctance of the companies to comply with this request does not seem to justify their refusal. It must be admitted that some of the individual companies' forms may lend themselves peculiarly to the routine of their offices; but is this particular benefit paid for in other ways? I believe it is. I know personally that there is one company represented at this meeting which is, or has been in the past, quite unnecessarily annoyed through an unfortunate arrangement of a daily report. This document was so arranged that the particular spaces for the insertion of dates of

commencement and expiration and amount, rate and premium were readily overlooked by the local agent, and the spaces, as a consequence, left blank.

This was learned through the fact that while the particular information referred to was omitted on all dailies once in a while by an agent, the larger majority, probably 75 per cent, of the cases occurred on the forms of the particular company I have in mind. No doubt there are instances in other forms which have not been noticed. The point I am trying to make is not that the daily report referred to was necessarily impractical, but it certainly was unlike any other form of daily report and, incidentally, did not seem to impress the majority of the agents. There would no doubt be less mistakes made in the aggregate if all companies used the same form of daily report, even if drawn on the lines of the one just criticised.

In every pooling of interests, such as that under discussion, there must be a little giving away by each member, a submerging of a little of the individuality for the common good of all. The benefit derived by all the companies from the adoption of uniform policy forms, daily reports and many of the slips and clauses, I believe, would compensate them for what little may have been conceded.

Some little time ago a standing committee was appointed in the East for the purpose of considering the advisability of adopting uniform policy forms and clauses. As a result of their experience and experimenting, policy, daily report, endorsement and account current forms was submitted to the companies. Regarding their adoption, I quote from a letter received from the chairman of the forms committee, Mr. C. F. Hildreth of Freeport, Ill.: "While we have had a good many favorable responses, the reform is not yet an accomplished fact but is progressing well. A letter from Henry W. Eaton, United States Manager of the Liverpool & London & Globe, just received this morning, gives unqualified approval of the entire list of blanks. The Continental has taken the same position, likewise the Glens Falls, the Germania, and the Southern department of the Insurance Company of North America and Philadelphia Underwriters. A good many of the smaller companies have taken the same position, while a goodly number of companies have lent their general approval while showing some tenacity regarding one or more of their own forms."

As I have had little or no experience with account current forms a discussion of same will be omitted.

The agents regard the printed forms as reminders and complete them in more or less of a mechanical manner. It is therefore essential that each form should be, in the best possible sense, the reminder the average agent requires. Spaces should be large enough to avoid being overlooked. It must also be borne in mind that a large majority of the agents are using the typewriter, and the number is steadily increasing. Therefore, spaces should be arranged on as few lines as possible and in such order as to permit of the use of the tabulator. Also the lines should be of just the right distance apart to accommodate the machine spacing. The foregoing will apply in a general way to all the documents mentioned, and dispose of the arrangement of the face of the policy itself, except to say that I believe the lines above the space left for attachment of policy

slips should be as far above the center of the page as practicable, so as to leave as much blank space for forms as possible. I might add that letters have been received from the insurance departments of nearly all the states located on the Pacific Slope (including British Columbia) to the effect that there are no requirements prohibiting the arrangement of the policy face as suggested.

* * *

There are features of the daily and endorsement which call for special mention: There are twelve items of the daily report which are universally required to be furnished by the local agent: The name of the insured, date of commencement, term, date of expiration, amount of policy, rate, premium, an exact copy of the written portion of the policy, the number of the expiring policy renewed, if any, or the number of the canceled policy replaced, if any, the name of the payee and the method by which the rate is obtained. With the exception, possibly, of the last named, these should be on the front or face of the daily report.

As to the arrangement of these items, the most ideal record a company could possibly ask for is an exact copy of the face of every policy issued, made simultaneously with the policy itself by means of carbon paper. If an agent omits any essential feature or makes an error of any character whatever upon the policy he issues the company can immediately detect same from their records. Every detail of the contract (and that really is the basis of the company's liability and not an independently made daily report) is before the company at all times, instead of only after the loss has occurred as at present. Therefore, I believe the face of the daily should conform exactly to the policy as regards all the salient features mentioned above. Four daily reports should be bound inside each policy in such manner that the agent need only insert four carbon sheets before writing his policy. When this latter document is completed there will be four verbatim copies of the policy, one to be forwarded the company and three retained by the agent for his records. After the dailies are taken from the policy the top carbon sheet can be removed and the map references' numbers of the other policies on the same or adjacent risks and method of arriving at the rate can be added to all copies at the same time. The agents, I believe, will find the suggested method not only more convenient and time saving, but decidedly more satisfactory from every standpoint.

The Eastern committee, I believe, suggests only two daily reports to each policy. Upon discussing the question with a number of the larger local agencies I find three office copies, aside from that furnished the company, are very often required. As the majority of policies are issued by these large agencies, I believe their needs should have considerable weight.

With the arrangement of the daily report as indicated there will still be space to insert map and special rate references and the usual home office notations. The agency and policy number and space for home office number, used by some companies, should be placed in the upper right hand corner for this reason: In handling these documents in the home offices, they always (to use the vernacular) come "in bunches," and the locating of any one daily report must be found by thumbing through the

bunch. As the majority of people are right handed the right hand side of the bunch will always be the most convenient. It will then be necessary to raise only the corner of each daily report when endeavoring to locate any one of the bunch.

Instead of supplying the spaces for map and special rate references one beneath the other, as suggested by the Eastern committee, I believe these should be arranged all on one line. This latter form is much more easily completed by typewriter than the former. If this line were placed upon the daily report just below the line for "amount insured" it would be of much convenience, because many agents have formed the practice of inserting this data at the top of every policy slip written.

The data supplied and utilized only by the home office is probably never referred to more than a few times. I refer to the notations added by the mapping, expiration, endorsement and bordereaux clerks, etc. The spaces for these notations can, therefore, without much inconvenience, be placed in some position not convenient to or likely to be obliterated by a local agent. From the suggested form you will observe all the universally required information is on one side of the sheet, leaving the reverse side for such special questions and data as each individual company may require including space for the diagrams. In speaking of this latter requirement, most of the companies fill in the diagram space with squares intended to represent ten feet each. This has been found to be unsatisfactory for the reason that most agents disregard the squares and supply the distances between buildings in figures; therefore the agents, who follow the printed instructions regarding the use of the squares and omit supplying the distances in figures, are necessarily tagged because it is impossible to know from the daily report whether the agent considered each square as ten feet or merely neglected to state the distances.

The majority of the agents, I believe, are systematically omitting to answer any of the printed questions on the dailies regarding age and condition of the insured property and the taking of inventories, etc., and in the majority of instances, I am informed, the companies are not requiring their agents to supply this omission. It would therefore appear that under existing conditions the information requested by these printed questions was not, as a rule, absolutely necessary to good underwriting. You will note I say in the majority of instances. By this I mean the matter of choosing risks and passing upon the acceptability of same in the larger cities and agencies is left, to a large extent, to the discretion of these agents. In the smaller towns and agencies, where only a few policies are written in the aggregate and, as a consequence, insurance and underwriting experience is most liable to be lacking, the answers to certain of the printed questions are earnestly desired. Another reason why larger agencies are not asked to answer these questions may be the large range to which Hines', Dumns' and Bradstreet's Records are applied. Also, personal inspection is gradually becoming more the rule than the exception. Special agency territories, not long since, frequently covered three or four states, whereas now it is not uncommon to find one company with two and sometimes three special agents with a territory confined practically to one state.

The Eastern committee's proposed form includes all the essential questions to which answers are required by *all* the companies. Your particular company may not require all these answers. This fact could not possibly inconvenience your company, however, and the use of the form by you, as proposed, would preserve its uniformity.

The spaces indicated on the reverse side of the proposed daily report, asking for the occupancy of each floor of the building and the distances to and occupancies of the exposures to the north, east, south and west, are not included in the dailies of a majority of the companies. We find, however, that the agents will very often complete these spaces, but omit diagrams and other data regarding the method by which the rate is secured. From the information given in these spaces we can very often check the rate and premium, thus making it unnecessary to tag the agent for additional information.

There would appear to be a psychological reason for the failure of one agent to properly and completely fill in these documents, when another agent always supplies all required data. We find the same agent will sometimes complete the daily report of one company in all particulars and almost entirely omit to do so upon the daily report of another company. I am, of course, assuming the average agent is willing to assist the companies to the extent of his ability. Therefore, I believe it is not amiss to furnish two or three methods of supplying the same thing on one daily report.

ENDORSEMENTS.

Probably greater trouble is caused by the omission of full information on endorsements than on daily reports from an examination viewpoint. There seems to be no two forms of endorsement which are at all similar. At the home office the omission of all the salient features can be supplied, provided only the policy number and agency are given by the agent. Therefore, the omission of full information affects only such general offices as the boards and our examining bureau which are under the necessity of treating each document as an individual transaction, not having ready reference to the daily report itself. In probably nine cases out of ten endorsements effecting changes in rate must be referred to the home offices with request for attachment to daily reports and return for examination. All of this requires extra time, work and postage at the expense of the company and I believe could be avoided if there was some effectual method of assisting the agents to furnish all necessary amounts and dates when preparing endorsements. There are some endorsements, however, which cannot be properly examined even if all dates and amounts are supplied unless accompanied by the daily reports. Such, for instance, as those substituting new forms, it being necessary to know the original covering to ascertain whether or not insurance has been transferred pro rata from building to contents or vice versa. As stated before, the spaces and their arrangement should be so placed as to serve both as guide and ready reminder, keeping in mind the fact that they must be of a size and in a position to attract the agent's attention. If this is accomplished in the daily report it would seem to be possible also on endorsement forms. Endorsements and daily reports are, as a rule, handled exactly alike by both the agents and the companies; therefore the conforming of lines and

spaces to the typewriter should be borne in mind. What will assist the local agents in this matter will doubly serve the company: First—If any arrangement saves time and promotes convenience as to the agent, the same is true as to similar work in the home office. Second—Any aid given the local agent, tending toward greater efficiency, saves the time, annoyance, extra work and postage of the company, by making correspondence unnecessary.

There are one or two improvements which, I believe, could be made upon the endorsement form suggested by the Eastern committee. When discussing the daily report you will recall that, for convenience sake, it appeared advisable to place the agency, policy number and home office number in the neighborhood of the upper right hand corner. I believe the same would be true of the endorsement. If this was done the space allowed for the policy number on the Eastern committee's form could be designated for "property insured." If this information was supplied by the local agent, some inconvenience and time might be saved by examining departments on endorsements making transfers and substitution of new forms.

Also, my experience has taught that the number of the expired policy, renewed by the policy being endorsed, is seldom if ever needed, and therefore the space designed for this information should be used to indicate the "term" of the policy. This data is absolutely necessary in order to properly check the rates on term policies. From the foregoing you observe I am looking at this document from the stamping bureau or examination standpoint, solely with a view, however, of saving the agent's and company's time, which would otherwise be employed in answering queries and correspondence and returning the original document and the endorsements for re-examination.

* * *

POLICY FORMS.

In preparing these forms there appear to be at least three influences at work. First, the desire of the insured for the best covering. Second, the belief of each local agent and broker that his ability and experience is fully as good as any ones else (including the company's) and, in fact, just a little better; thus enabling him to produce the best possible form, and third, the attitude of the individual companies which, in a large measure, is identical with that of the agent. The main factor in each of the two latter instances being the susceptibility of the average insured to the sight of many words, even if they serve principally for purposes of repetition.

The best forms for all concerned would appear to be those which omit special mention of all features which are not absolutely necessary to prevent misunderstanding or misinterpretation on the part of either the insured, agent, a court or an adjuster. For instance, a form covering a building and its additions, adjoining and communicating and all improvements, machinery and apparatus forming a permanent part thereof and necessary to its operation, independent of its occupants, would undoubtedly cover the building in its entirety. As, however, this would not cover window shades or awnings or movable fire extinguishers, these

if desired to be covered, should necessarily be specifically mentioned, as they do not form a permanent part of the building.

The facts are the same as regards the covering of machinery and stock. I am told it is often the case an insured will believe some portion of either his machinery or stock might not possibly be covered, or a company could successfully defend its refusal to pay a loss thereon, because while probably two or three hundred separate items of hazard are named under the heading "machinery" or "stock," one or two items actually forming a part of either his stock or machinery were omitted. As company representatives we, of course, know this is not true. The incident merely illustrates the fact that a policy simply insuring insured's stock of merchandise, consisting principally of shoes, covers even more effectually than a form enumerating each article composing the stock and avoids raising any doubts or misgivings in the mind of the client.

* * *

I believe every company here represented would agree, if interested on any one dwelling line with two or more other companies, that all policies were concurrent although each company's policy covered under its own peculiar dwelling form. Every policy you issue contains a clause, "See that all policies read exactly alike," or one of similar intent. The owner of a large dwelling at Burlingame might demand that the L. & L. & G. and Ætna secure the dwelling forms of the London Assurance for their policies because the London happened to be the first policy he received, and his action would seem to be entirely logical, if the company's argument is with regard to its own dwelling forms.

The average agent, I believe, issues more policies on dwellings and their contents than on any other one classification, and would welcome any arrangement which would save him annoyance and trouble in having to search through his scattered supplies for the form of the particular company in which he has decided to issue the risk and, being unsuccessful, probably end in determining to write the line in some other company, the supplies for which he finds to hand. Often, I am told, the agent, to avoid this annoyance, prints his own dwelling forms which all his companies will accept without objection. Merely another argument against the multiplicity of policy forms.

* * *

On account of the increasing tendency toward independent state legislature calling for special policy conditions and, as in Washington, the strict adherence to specified schedules and forms of clauses and permits, the most economical plan for the majority of companies, as regards many policy slips, permits and warranties, would appear to be to leave the furnishing of these slips to the central offices of all or a majority of the companies in each state. This plan has been adopted in California and, I believe, has proven most satisfactory to both the agents and companies. Any changes in such permits and warranties, made necessary by reason of changes in ratings or schedules, could then be effected before the agents were supplied and thus avoid much correspondence in making examinations and securing corrections.

New Publications

The Monthly Income Policy: by W. T. Nash; cloth 50cts: Spectator Co., New York, publishers. The author writes of the advantages of this form of policy and how to present them. Some of the objections are met very neatly.

Life Assurance Primer: by Henry Moir; cloth \$2.00: Spectator Company, New York, publishers. This is a book of some 230 pages, described as: text-book dealing with the practice and mathematics of life insurance, for advanced schools and colleges. This is the third edition, revised, because the plates of the second edition were stolen. Many changes in conditions justify the publishing of this new edition.

The author uses the word "assurance" throughout and never the older word "insurance." It is to be regretted that he did not insert a defensive word in his preface. We are aware that there is in this country now, as in England in the past, an attempt to give a life insurance meaning distinctively to the younger word; but its use at all is rare.

This book has been prepared along school-book lines, with topics, and heads and sideheads, and review questions at the end of every chapter.

"Expectation of life" is sensibly defined as the average number of years which persons of a given age will survive. It has no relation whatever to the time when any individual is likely to die, nor to the time when death is most probable.

We can recommend this work to any man who wants to be well grounded in the facts and principles of life insurance.

Sickness.—In socialistic New Zealand every worker whose earnings are not in excess of \$4.00 a day is to be paid half his weekly earnings if he falls sick or suffers a disabling accident. In case of death, three years' weekly earnings are to be paid, or \$1,000, whichever is the larger. The employer pays the cost but deducts one-fourth from the wages. The government pays nothing. The people really pay all. This law will encourage the breeding of the unfit and make the workers a dependent class. Thus does foolish man interfere with wise nature.

The Munich Reinsurance Co. reports over \$60,000,000 assets, including \$5,625,000 liability for uncalled capital. The reserve fund for unexpired risks is \$33,903,910.

The Connecticut Mutual Life Insurance Company

67th Annual Statement Shows Nearly \$70,000,000 Assets and Over \$209,000,000 Insurance in Force

The paid-for insurance written by the Connecticut Mutual Life Ins. Co. increases every year. Last year the gain was three and one-fifth millions; and the amount in force gained over ten millions. It is the definite policy of this old reliable Hartford company to issue new business at a low cost and with careful medical selection, in a way that makes for dividends for policyholders and holds their loyalty.

It may be said that the management has two watchwords, to wit: "safety" and "economy." Thirty years ago the Connecticut Mutual took the lead by computing its reserves and net premiums on the assumption of 3 percent annual interest.

Returns to members or policyholders of this company exceed premiums paid. It is asserted that no other American company can make this claim. The company has returned to its members \$288,936,237, and it has received in premiums \$280,438,556. This is \$8,497,681 excess of returns over premium receipts.

In other words, the Connecticut Mutual has made total returns of 103 percent of the premiums, and in addition the company holds dividends with interest thereon, in the sum of \$1,793,398. This is indeed a unique record.

The Western Masons' Mutual Life of Los Angeles held its 27th annual meeting this month. The secretary, G. F. Stevenson, read an excellent address. Death claims for the year were \$206,000, of which \$12,000 was for deaths caused by railroad and automobile accidents. Since organized, \$2,636,232 has been received from members and \$2,022,693 paid for death claims. The "permanent fund" is now \$486,183, against \$318,037 four years ago. The insurance in force is \$13,904,000. Rates increase as the member grows older.

Adjusters.—The courts uphold the Kentucky contention that adjustment bureau adjusters must each also pay \$125 a year license fee.

Life.—The Hartford Life policyholders have to pay their premiums to Cincinnati men via St. Louis hereafter.

Summary of Some Companies' '13 Figures.

Some Lost and Some Made Money

The stockholders of the Toledo F. & M. are still pouring golden sand down a rat-hole. Loss ratio for four years past have been 60 in 1909, then 108, 117 and 75.

The 'Queen City, long "under the ropes," is still in the ring, and last year rose to its feet with a 41 percent loss ratio.

The Atlanta Home had 70.4 percent loss ratio in 1911 and 176.2 in 1912.

The Calumet of Chicago, of unpleasant 1906 memory, had a 76 percent loss ratio in 1911 and 81 in 1912. Since organized in 1904 it has paid only \$39,000 dividends. The premium income is falling off.

The Camden Fire increased its assets nearly \$400,000 in 1912, and added about \$100,000 to its surplus. Premiums increased over \$146,000. Good dividends are paid yearly.

The Central National of Chicago had an 85 percent loss ratio in 1911 and a 71 in 1912. The percentage of losses incurred to premiums earned last year was about 80. The income was far less than the losses and expenses but the stockholders were nevertheless paid \$18,000 dividends. The transfer of half the capital to surplus prevented an impairment. We fancy we see a finish.

The Central Union of Kansas City, Mo., had a 50 percent loss ratio last year on what was practically new business. Expenses were 50 percent too. The company must therefore carry some \$11,000,000 business a year for nothing. This doesn't look good.

The Stuyvesant of New York appears to be losing money quite steadily if not cheerfully. Even schoolhouses at half rates won't help it.

The Arizona Fire has \$366,382 assets, \$200,000 paid up capital and some \$123,000 net surplus. Gains were made in both assets and surplus.

The Franklin Fire has \$3,362,815 assets, a small decline; reinsurance reserve increased about \$75,000; premiums decreased about \$50,000; loss ratio incurred, 62 percent; management expense ratio, 44; losses and expenses were \$102,360 more than premiums; expenditures, \$68,943 more than income; capital, \$500,000; net surplus \$641,852,

a decline of \$125,096; dividends to stockholders, 12 percent.

The Yorkshire is too recent an entrant for its American business figures to signify anything as yet. Premiums \$374,533, unearned \$231,304; management expenses 41 percent; losses incurred 25 percent; losses to premiums earned probably in the neighborhood of 60 percent.

The Milwaukee Mechanics has \$4,347,584 assets and \$778,842 net surplus. Premiums \$1,948,202; losses incurred, 58 percent; management expenses, 45; dividends, 12 percent; income nearly 33 percent in excess of outgo; net surplus gained, \$89,500; assets, premiums and reinsurance reserve are less.

The Southern States Fire has \$205,310 capital, a reduction from \$410,620, creating \$101,389 net surplus. Losses, 63 percent with an increase of about 70 percent in premiums. Expenses, 60 percent. Organized in 1910, application has been made for a receiver by a minority of the stockholders; but the application may not be granted.

The Glens Falls gained in premiums and assets and surplus to policyholders last year. The capital has been increased to \$500,000 by a stock dividend of \$300,000, and the net surplus is correspondingly less. Premiums, \$2,163,265, a handsome gain. Income over expenditure, nearly \$200,000. Losses, 55 percent of premiums, leaving a good underwriting profit.

Insurance Underwriters of New York lost a little in assets, lost some \$36,000 in net surplus; had 62 percent losses incurred and 38 percent expenses, a total of 100 percent of the premiums. Losses incurred to premiums earned appear to have been about 63 percent.

The Lumber's income last year was again less than the expenditures.

The New Brunswick Fire increased its assets some \$135,000 and its net surplus gained about \$26,000. Premiums increased over \$62,000. Loss ratio 50, but ratio to premiums earned was about 55 and expenses were 44. Fifteen percent dividends to stockholders.

Aachen & Munich

The United States branch now has \$2,540,241 assets and \$1,238,812 surplus. Gain in assets over \$100,000. Premiums, \$1,199,458, a gain of nearly \$113,000. A. C. Olds is the general agent for the Coast.

CASUALTY INSURANCE

The Preferred Accident Figures

Capital, \$700,000; net surplus, \$739,457; surplus as regards policyholders, \$1,539,457, or about half of the total \$2,927,028 assets. There is a voluntary reserve of \$100,000 for contingencies.

In 1893 the Preferred Accident Ins. Co. was organized, and succeeded the Preferred Mutual Accident Association. From the start the company has been a remarkable success. The two men chiefly the authors of this success are Kimball C. Atwood, president, and Wilfred C. Potter, secretary.

The Coast department is conspicuously successful in the amount of business annually written and in net results. Geo. C. Farrell is the manager, in the Mills building, San Francisco, to whom applications for agencies should be made.

\$30,000 Damage Suit

Weinstock, Lubin & Co. and other Sacramento merchants are being sued for \$30,000 damages by the widow of an employee of the first named firm, who was accidentally killed. The tongue of a heavy truck was thrown violently around by a collision and struck the employee. He was thereby thrown to the ground, in the rear of the store, and was killed. The commercial alley was full of obstructions, which necessitated a hub collision of the two wagons.

Assassination Liability

Accident insurance policy for \$400 providing that for injury intentionally inflicted by any person other than insured the liability was limited to one-fifth the amount otherwise payable construed, and held that, upon the assassination of assured, the beneficiary was entitled to recover only \$80.—General Accident, Fire & Life Assur. Corporation v. Stedman, 153 S. W. 692.

The Travelers has insured its own employees.

Two Trusted Bankers Are Defaulters

On the same day, in San Francisco, the fraudulent transactions of two trusted bank employees were disclosed.

The trusted assistant cashier of the Crocker National Bank, Chas. F. Baker, is short in his accounts about \$200,000. The shortage is said to be covered by surety insurance. Baker gambled in stocks. He now faces a term in state's prison.

The trusted head of the trust department of the Mercantile Trust Co., Rupert T. Hooper, is charged with embezzling \$1925. The bank is protected by surety insurance.

The American Surety Company very properly takes exception to figures published by the United States Fidelity and G. as illustrative of the smallness of the underwriting profits of surety companies. The figures erroneously were compiled from a casualty chart, which gave the underwriting profit of the American Surety from organization to December 31, 1911, as being only \$500,780, instead of \$5,762,924. In this respect the American Surety leads all surety companies.

Supt. Emmett of New York favored nine new laws, just enacted. One prohibits assessment casualties from rebating, and requires all policies to have printed on face in "caps" the words "assessment system." The Coast Review was the first insurance journal to advocate such a law many years ago, for all forms of life and accident policies. Soon afterward the state of Washington enacted such a law.

An absurd bill at Sacramento requires that every surety, fidelity or liability company operating in California shall put up \$100,000 deposit. Other states would then enact similar laws, and the retaliatory laws would deplete the home office funds, and restrict California companies to their own state.

At Sacramento it is proposed that liability reserves in California shall be on the same basis as in New York.

Miscellaneous California Business in 1912

ACCIDENT AND HEALTH

SURETY

Company	Premis. Rec'd	Losses Paid
Aetna Life	\$ 105,811	\$ 52,569
American Casualty	18,269	6,583
American Fidelity	276	40
Columbian National Life . .	8,284	2,841
Continental Casualty . . .	140,613	47,648
Employers' Liability Assur.	31,588	21,520
Federal Casualty	12,307	3,403
Fidelity & Casualty	98,445	35,370
Fidelity & Deposit	11,759	3,116
Frankfort General	14,868	7,171
General Acci., Fire & Life .	2,874	643
Globe Indemnity	1,186	. . .
Great Eastern Casualty . . .	12,348	6,398
Guardian Casualty & Guar.	223	. . .
International Casualty . . .	1,512	. . .
Inter-Ocean Life & Casualty	3,322	833
London Guar. & Acci.	7,675	8,675
Lon. & Lancashire G. & A. .	4,940	292
Loyal Protective	8,705	5,486
Maryland Casualty	23,885	6,242
Massachusetts Bonding . . .	19,610	2,489
Metropolitan Casualty . . .	6,585	5,250
Midland Casualty	1,646	10
Masonic Protective	1,772	392
Missouri State Life	58	. . .
National Casualty	34,412	10,626
National Life of U. S. A. . .	1,744	. . .
New Amsterdam Casualty . . .	10,436	6,291
New England Casualty	592	288
N. J. Fidelity & Plate Glass	798	272
North American Accident . . .	68,140	24,599
Occidental Life	140,006	69,214
Pacific Coast Casualty	33,998	9,197
Pacific Mutual Life	361,826	155,089
Pacific Surety	73,129	8,399
Preferred Accident	68,898	32,658
Prudential Casualty	257	318
Reliance Life	1,528	103
Ridgely Protective	13,190	4,890
Royal Indemnity	13,806	9,077
Southwestern Surety	4,839	330
Standard Accident	75,749	16,413
Travelers	263,352	98,301
U. S. Fidelity & Guaranty . . .	8,339	1,237
U. S. Health & Accident . . .	11,933	4,300
Western Casualty & Guar . . .	587	. . .
United States Casualty	6,119	2,508
Totals	\$1,731,239	\$671,081

Company	Premis. Rec'd	Losses Paid
Aetna Acci. & Liability . . .	\$ 5,374	\$. . .
American Bonding	89,523	9,738
American Fidelity	420	. . .
American Surety	70,402	20,278
Employers' Liability Assur.	2,192	. . .
Equitable Surety Company . .	9,023	278
Fidelity & Casualty Co. . . .	4,517	202
Fidelity & Deposit, Maryland	86,854	18,455
Globe Indemnity Company . . .	3,074	. . .
Guardian Cas. & Guar.	6,970	395
Illinois Surety Company . . .	11,521	337
International Indemnity	998	. . .
Maryland Casualty Co.	31,967	2,259
Massachusetts Bonding	54,166	31,875
National Surety Company . . .	181,751	44,226
New England Casualty	1,827	. . .
Pacific Coast Casualty Co. . . .	43,284	2,321
Royal Indemnity Co.	10,232	271
Southwestern Surety	16,895	*—7,218
Title Guaranty and Surety . . .	43,878	2,064
U. S. Fidelity and Guar.	210,096	71,968
Pacific Surety Co.	9,608	11,439
Totals	\$894,582	\$216,106

* Excess of reinsurance over losses.

LIABILITY

Company	Premis. Rec'd	Losses Paid
Aetna A. & L.	\$ 381	\$. . .
Aetna Life	198,470	86,771
American Fidelity	*—435	1,693
Employers' Liability Assur.	182,318	42,321
Fidelity & Casualty	191,393	50,316
Fidelity & Deposit	103,695	15,035
Frankfort General	64,399	47,803
General Accident F. and L. . . .	22,288	596
Globe Indemnity	23,537	504
Guardian Cas. and Guar.	12,214	590
International Casualty	1,405	. . .
London Guar. & Acci.	193,861	111,641
Maryland Casualty	106,492	41,108
Massachusetts Bonding	49,811	5,930
New Amsterdam Casualty	72,054	46,937
New England Casualty	2,460	. . .
Pacific Coast Casualty	233,890	74,933
Pacific Surety	162,271	63,982
Prudential Casualty	8,485	791

Miscellaneous California Tables

Royal Indemnity	161,898	29,731	Lon. & Lancashire G. & A.	3,146	378
Southwestern Surety	142,537	37,936	Maryland Casualty	12,567	3,410
Standard Accident	1,097	426	Massachusetts Bonding	6,495	345
Travelers	550		Metropolitan Casualty	9,755	2,646
U. S. Fidelity & Guaranty	116,624	29,233	New Amsterdam Casualty	6,131	1,278
Western Cas. & Guaranty	9,738	10	New England Casualty	84	
U. S. Casualty	19,086	5,826	New Jersey Fidelity & P. G.	7,766	2,176
Totals	\$1,846,533	\$619,187	New York Plate Glass	22,463	6,715
* Reinsurance and return premiums exceed premiums received.					

BOILER AND MACHINERY

Company	Prem. Rec'd	Losses Paid
Casualty Co. of America	\$	\$
Fidelity & Casualty	6,629	212
Hartford Steam Boiler	35,124	18
London Guar. & Acci.	708	
Maryland Casualty	3,467	
Royal Indemnity	839	
U. S. Casualty	301	
Totals	\$ 47,070	\$ 231

WORKMEN'S COLLECTIVE

Company	Prem. Rec'd	Losses Paid
Aetna Life	\$ 113	\$ 270
Employers' Liability	851	177
Fidelity & Casualty	7	
Fidelity & Deposit	4,196	1,141
Frankfort General	25,822	11,187
Guardian Cas. & G.	1,700	
London Guarantee & Acci.	43	1
New Amsterdam Casualty		219
Pacific Coast Casualty	7,764	10,402
Pacific Surety		86
Royal Indemnity	849	207
United States Fidelity & G.	170	
Totals	\$ 41,515	\$ 23,690

PLATE GLASS

Company	Prem. Rec'd	Losses Paid
Aetna A. & L.	\$ 5,654	\$ 1,506
Casualty Co. of America		
Employers' Liability Assur.	2,509	202
Fidelity & Casualty	22,914	5,678
Fidelity & Deposit	14,679	4,045
Globe Indemnity	573	77
Great Eastern	2,492	831
Guardian Cas. & Guar.	149	4
Lloyds Plate Glass	11,881	8,949

London & Lancashire G. & A.	3,146	378
Maryland Casualty	12,567	3,410
Massachusetts Bonding	6,495	345
Metropolitan Casualty	9,755	2,646
New Amsterdam Casualty	6,131	1,278
New England Casualty	84	
New Jersey Fidelity & P. G.	7,766	2,176
New York Plate Glass	22,463	6,715
Pacific Coast Casualty	5,311	1,338
Pacific Surety	19,490	8,859
Prudential Casualty	2,201	482
Royal Indemnity	6,104	982
Southwestern Surety	2,119	613
United States F. & G.	7,882	1,268
Western Casualty & G.	670	
United States Casualty	4	
Totals	\$ 112,188	\$ 30,490

BURGLARY AND THEFT

Company	Prem. Rec'd	Losses Paid
Aetna A. & L.	\$ 6,456	\$ 3,544
American Bonding	6,729	3,475
American Fidelity	25	
Employers' Liability Assur.	4,956	2,447
Fidelity & Casualty	18,978	17,821
Fidelity & Deposit	5,652	3,033
Frankfort General	911	866
General Acci., F. & L.	1,404	5
Globe Indemnity	758	
Great Eastern Casualty	937	
Guardian Cas. & G.	50	
London G. & A.	5,753	2,315
Maryland Casualty	14,026	6,143
Massachusetts Bonding	3,309	
National Surety	19,594	2,556
New Amsterdam Casualty	5,792	4,495
New England Casualty	600	
New Jersey F. and P. G.	2,622	2,693
Pacific Coast Casualty	2,991	7,869
Pacific Surety	3,489	4,212
Preferred Accident	337	
Prudential Casualty	1,372	310
Royal Indemnity	9,223	2,437
Southwestern Surety	91	
United States Casualty	213	
United States F. & G.	21,723	4,490
Western Casualty and G.	52	
Totals	\$ 130,043	\$ 68,711

TEAM AND VEHICLE (Including Auto-mobile and Auto Property Damage)

Company	Premis. Rec'd	Losses Paid
Aetna A. & L.	\$ 16,646	\$ 7,152
American Automobile	11,328	64
American Fidelity	111	37
Casualty C. of A.		
Commercial Union Assur.	30,770	9,854
Continental, New York	15,544	5,352
Employers' Liability Assur.	13,000	4,834
Federal	28,133	4,856
Fidelity & Deposit	7,150	6,776
Fidelity-Phenix	15,544	5,339
Frankfort General	820	
General A., F. & L.	765	44
Globe Indemnity	737	178
Home of N. Y.	30,385	10,738
International Casualty	146	
London G. & A.	14,358	1,439
London & Lancashire Fire	6,425	324
Marine	14,541	4,399
Maryland Casualty	10,549	3,558
Massachusetts Bonding	700	15
New England Casualty	35	
Niagara Fire	2,383	
Orient	5,097	267
Pacific Coast Casualty	6,366	2,257
Pacific Surety	14,484	2,905
Palatine	6,704	1,551
Providence-Washington	6,086	184
Prudential Casualty	2,012	203
Royal	9,806	3,710
Sea	8,521	1,449
Southwestern Surety	4,270	777
St. Paul F. & M.	86,998	19,533
Standard Accident	89	
United States F. & G.	8,873	3,127
United States Casualty	434	570
Western C. and G.	727	
Totals	\$ 380,553	\$101,502

—Table showing the business of sprinkler insurance transacted in California during the year ending December 31st, 1912:

	Premis.	Losses.
Aetna A. L.	\$ 180	
Maryland Casualty	5,595	\$ 375
Rhode Island	110	
United States Casualty	1,967	
Totals	\$ 7,853	\$ 375

—Live stock insurance transacted in California during 1915:

	Premis.	Losses.
Indiana & Ohio Live Stock	\$1,305	\$7,465

—Physicians' defense insurance transacted in California during 1912:

	Premis.	Losses.
Maryland Casualty	\$2,590	\$ 196
Medical Protective	4,575	
Pacific Surety	1,073	
Totals	\$8,239	\$ 196

—Table showing the business of credit indemnity insurance transacted in California during the year ending December 31, 1912:

	Premis.	Losses.
American Credit	\$28,696	\$5,720

LIABILITY

A provision in an indemnity policy, insuring a corporation against loss through the negligence of its treasurer, requiring it to take all reasonable precautions to prevent such loss, held not to require it to examine the books of a bank in which the treasurer deposited to ascertain its financial condition.

“Immediate notice” of loss under an indemnity insurance policy means no more than that degree of promptitude which is reasonable under the circumstances.

A statement in an application for an indemnity policy held immaterial, in an action on another policy subsequently issued, and which made no reference to such application.

The rule that checks drawn on a bank by a depositor should be charged against the deposits in the order in which they were made held properly applied in an action by a corporation on a bond indemnifying it against loss through the negligence of its treasurer, based on his alleged negligence in making deposits in the bank after knowledge of its insolvency.—National Surety Co. v. Western Pac. Ry. Co., 200 F. 675.

Instructions construing and applying the provision of an indemnity policy, requiring immediate notice of loss, or of knowledge of facts indicating a probable loss, held correct.—Id.

LIFE, CASUALTY, ETC.

Pacific Coast Casualty Officers

President, E. F. Gréen; vice president, Carl G. Brown; secretary, H. A. Bauer.

In the board of directors, Allen I. Kittle, Geo. W. Turner, H. W. Goodall and W. P. Johnson succeed Jay Lichtenstein, H. A. Bauer, J. W. Phillips and A. L. Meyerstein.

Preferred's New Ones

The progressive Preferred Accident Ins. Co. of New York is issuing a 1913 special accident policy and a 1913 special disability policy. This company maintains its reputation for originality.

For 20 percent increase in premium the special accident pays 50 percent increase in death, limbs and sight indemnity, and 20 percent increase in weekly indemnity for partial disability; and there is to be life weekly indemnity for loss of two limbs and sight of both eyes creating total disability.

For 25 percent increase in premium the special disability, covering disabling sickness and accident, pays 50 percent increase in indemnity.

Only class A policyholders living in cities of 25,000 or more, age 25 to 55, can have these special contracts.

The Widow Rawn has won her first suit before a St. Louis jury. The insured was found shot to death, under strange circumstances. The accident and life companies generally asserted that it was a suicide case and declined to pay.

Sacramento.—Scott of S. F. hotly defends his absurd bill requiring liability and surety companies to make a deposit in California before writing risks.

Renewal of an insurance policy may be canceled without return of any premium, none having been paid for the renewal, and the policy providing for return, on cancellation, of the unearned portion of the premium.—Gruen v. Standard Life & Accident Ins. Co. of Detroit, Mich., 152 S. W. 407.

The U. S. court at Chicago has ruled that the life companies promoted by the Rhodus brothers were illegal. Most of the proceeds of the sales of the stock of several of their ventures went to pay salaries. One of the Rhoduses was in San Francisco for a time and tried to get up a million dollar scheme.

Equitable Life Statement

The 53d annual statement of the Equitable Life Assurance Society shows \$513,319,201 assets, a gain of \$9,452,104. The surplus, including deferred dividend fund, is \$83,896,704, which is the largest in the world.

New insurance paid for in 1912 was \$149,724,506, or with additions, etc., \$153,576,879, an increase of \$26,943,377 over 1911. The outstanding insurance is now \$1,429,211,848, a gain of \$53,770,388, or nearly double the gain made in 1911.

The amount paid to policyholders of the society in the past year was \$55,846,778.

Of 5,153 death claims paid in the United States, nearly 98 percent were paid within 24 hours after receipt of required proofs.

That Reinsurance Deal

The assessment branch of the Hartford Life must be in a bad and threatening way. We suspect that compromised claims, and much scaling, were about due, and likely to frighten the legal reserve policyholders into a general withdrawal.

The Western men who have bought the control reinsured these members, after skipping a dividend. They reinsured them in another company which they also control.

It has not been shown that the interests of the arbitrarily transferred policyholders have been served in any way by "switching" them into the back yard of the St. Louis company—which in turn may be reinsured in some other company willing to pay the present Cincinnati owners.

Stock of the Western States Life is now only 9 offered and 25 par.

Race Deterioration

A recent analysis of reliable vital statistics indicates a steady shortening of the extreme span of life.

The *general death rate* of the population age forty and over has increased in thirty years, 1880-1910, in Massachusetts and New Jersey, 21.2 percent; in sixteen cities, 25.3 percent; in ten registration states in ten years, 1900-1910, 3 percent. The increase in the proportion of older lives in our population has been very slight and does not account for the increase in these death rates.

The death rate from the more important diseases of middle life and old age (heart, kidneys, etc.) has increased in thirty years, in Massachusetts, 86.4 percent.

In sixteen important cities the increases from these causes in the adult age periods have been:

Age 20 to 30	63 percent
“ 30 to 40	85 “
“ 40 to 50	92 “
“ 50 to 60	134 “
“ 60 to 70	108 “
“ 70 and over	113 “

In ten registration states the death rate from these causes has increased 19 percent in *ten years*.

The mortality from these diseases is from 50 to 60 percent preventable by the adoption of ordinary personal and community health precautions, which include periodical health examinations by each person to detect disease in time to check or cure it.—Equitable Life's "The Human Factor."

Naval Officers Live Longer Than the Insurance Mortality Table Expectations

The hazards of the Civil War included, the mortality of the officers of the United States has been less than the American mortality experience tables. There are 33 more survivors, despite two wars, than were to be expected from the tables. In the great war only 22 were killed in action. "Navy" for January says so, and criticises the insurance companies for still regarding the army and navy as extra hazardous. The longevity

of those in the service is greater than that of civilians. The battle-fleet sailed around the world, with 15,000 officers and men, without an accident.

Association of Life Insurance Presidents

By a unanimous vote the Manhattan Life Insurance Company of New York and the Columbian National Life Insurance Company of Boston, Mass., were elected to membership in the Association.

Over 1500 Bills

That this year promises to establish a high mark in the number of legislative bills affecting the business of life insurance is indicated by reports made to the executive committee. Up to March 7th the Association found it necessary to examine 1451 bills, while notice had been received of 71 more in transit, making a total of 1522. Of the 40 legislatures that were in session in January ten have adjourned or are about to adjourn.

Thus far this year eight compulsory investment bills have been introduced in six states. Bills presenting new insurance codes or proposing general code revisions have been introduced in six states. There are fourteen tax bills in eight states. Twenty-four bills establishing state life insurance systems along the lines of the Wisconsin law have been presented in thirteen states. There are eighteen bills relative to rebating and twisting in thirteen states and thirty-four relative to mortgage taxes in seventeen states.

The Prudential of England now issues a ten option policy, without profits. Five of these are subject to evidence of good health when the option is exercised. The premiums are limited in number, and the sum payable always exceeds the amount of the premiums. Premiums are payable for 15, 20, 25, or 30 years, and they range from \$300 down to \$125 yearly, with total sum payable ranging from \$4,500 down to \$3,750. In event of prior death, the amount payable ranges from \$3,000 to \$3,750. If a \$5,000 fully paid policy be chosen, the assured has the option, besides, of a whole-life pension or a cash payment.

SEVERAL and SUNDRY

HARTFORD FIRE INSURANCE COMPANY

Now a 26 Millionaire — Very Large Gains in Assets and Surplus—Again Leads All Companies in Fire Premiums

In fewer than ten years the old Hartford Fire—it is now in its second century—has more than doubled its assets and has increased its premium income more than 50 percent. In the same time its surplus has more than doubled. It is true that the capital has been increased, but it is equally true that in 1906 the company paid \$13,515,021 for losses or about its entire premium income. A further and extraordinary increase in capital is among the probabilities of the near future.

Since organized, more than 102 years ago, the Hartford Fire has paid \$158,607,806 losses. Pause for a moment and reflect on the number of fire claims which that huge sum represents—homes and stores and factories destroyed but rebuilt with insurance money paid by a single American company.

The Hartford maintains its pre-eminence in the Western hemisphere in premium income, with a total of \$15,443,141, and its pre-eminence in income also, with a total of \$16,466,458. This implies also a leadership in reinsurance reserve and in losses paid.

The past year was friendly to the company, notwithstanding the high per capita fire loss of the country.

There was a large underwriting profit, and we find the net surplus rising from \$7,819,707 to \$8,513,692, and the assets totaling \$26,492,318 against \$25,449,839 a year ago. These are big gains, which mean prosperity and greatly increased strength of indemnity.

Underwriting expenses and losses were \$1,230,384 less than the underwriting income. That fine net result shows good management as well as good fortune.

On the Pacific Coast, under the management of General Agents Palache & Hewitt, a total of \$1,626,070 premiums was written last year, with a moderate loss ratio. This is the largest sum written by any company in this field.

Inter-Insurance Business in California in 1912

Company	Amount Written	Prem. Rec'd	Losses Paid
American Exchange Underwriters . . .	\$ 770,000	\$ 4,878	\$. .
Inter-Ins. Ex. of the Automobile Club of Southern California	905,950	17,704	971
Individual Underwrs.	1,696,775	12,663	. .
Lumbermen's Indemnity Exchange . . .	1,414,220	22,256	645
New York Reciprocal Underwriters . . .	7,144,950	34,459	47
Pacific Coast Inter-Insurers	996,797	34,288	16,478
Reciprocal Indem. Ex.	675,770	9,387	1,468
Subscribers at Pacific Auto. Indem. Ex.	247,830	13,551	491
Underwrs. Exchange Western Automobile Underwriters	2,367,500	10,715	24
Totals	\$16,219,792	\$159,902	\$20,125

MARSHFIELD FIRE

INSURANCE CO.

INCORPORATED IN MASSACHUSETTS

OFFICE OF THE SUPERVISOR OF INSURANCE

NAME OF INSURER	...
AMOUNT OF CAPITAL	...
AMOUNT OF RESERVE	...
AMOUNT OF ASSETS	...
AMOUNT OF LIABILITIES	...
AMOUNT OF PROFITS	...

DATE OF EXPIRATION	...
DATE OF RENEWAL	...
DATE OF CANCELLATION	...

STATE OF MASSACHUSETTS

IN SENATE,

JANUARY 1, 1880.

REPORT OF THE SUPERVISOR OF INSURANCE

FOR THE YEAR 1879

AND FOR THE YEAR 1880

AS REQUIRED BY CHAPTER 156, SECTION 1

OF THE ACTS OF THE LEGISLATURE

FOR THE YEAR 1879

AND FOR THE YEAR 1880

AS REQUIRED BY CHAPTER 156, SECTION 1

OF THE ACTS OF THE LEGISLATURE

FOR THE YEAR 1879

AND FOR THE YEAR 1880

FIRE AND MARINE INSURANCE

San Francisco Fire Business

The entire Coast returns, and notably those of California, are materially affected as to the average loss ratio, by the volume of San Francisco fire premiums and by the total of fire losses in that city. This is our excuse for giving more than four pages of San Francisco premium tabulations in our February number.

Losses in the city continue so light that the company and agency loss ratios, as a rule, are low just in the proportion that the San Francisco premiums bear to the total premiums.

An additional interest was felt in the city figures this year because of the fact that rates had been lowered more in the aggregate and over a larger area than formerly, because of the extensions of the high pressure system and the promises (not fulfilled) of the mayor and his associated authorities. The Twin Peaks reservoir is not yet in service, though promised by January 1.

The decline in premiums in 1911 was about \$292,000, reduced from reduced rates and transfers from frame to brick structures; and in 1912 the decline from the same causes was about \$471,000. Therefore the special agitation against the rates—an agitation started for political purposes—seems to have produced very small effects on the rates. Had the mayor and his political advisers sought "capital" elsewhere, and pushed the auxiliary system rapidly to completion, rates for 1913 would have been lower than at present, and premium-payers would have been the gainers.

At the present writing it appears that the American Union has about \$530,000 real assets besides \$275,000 agency balances less than 90 days old, and \$175,000 over 90 days old. As a good deal of these balances are those of general agents who own stock in the company, it may be doubted whether they will be collected. The liabilities are \$170,000 for unpaid losses, which will prob-

ably never be paid; \$105,000 for reinsurance which may never be paid. The net reinsurance liability is \$675,000. The total liability amounts to something like \$995,000, exclusive of \$500,000 capital. Therefore all capital has been wiped out of existence and the stockholders are liable for about one-quarter of a million dollars after reinsuring outstanding risks. This is the worst insurance failure in many years.

An Unusual Fire at Rocklin, Cal.

There was an interesting fire in Rocklin on March 15. About 9 p. m. a dwelling-house was set on fire while the family were out calling. It was located in the extreme northern part of the town and north of the S. P. R. R. About 3 a. m. the large merchandise store of the Rocklin Rochdale Co. was entered; bed clothing from the store stock was used to muffle the sound and the safe was blown. Insurance on stock was \$6,000. The fire didn't ensue until fully 30 minutes after explosion. Some small pieces of the wadding around the safe were blown into the shelving where, after smoldering for some time, they took fire. Damage to stock by explosion was several hundred dollars. E. P. Farnsworth, adjuster, settled the actual fire loss for \$95. There was not one cent fire loss on the building, although the front and one side of same were blown out by the burglars' blast. The Liverpool & London & Globe and the Phoenix of London were on stock. A young woman living across the street was awaked by the explosion and rose and watched the place for half an hour, thinking the robbers would return. She then discovered the fire starting up and bravely went to the rescue. She got some buckets of water and put out the fire. The sheriff thinks the first fire early in the evening was set by same parties who thought it would attract every one from the south end to the fire and they would then rob the store, but a public meeting was being held on the south end over "wet and dry," and the people didn't go over. The two places are about three-quarters of a mile apart.

**Business Transacted By "Surplus Line" Brokers Licensed Under Section 596
Political Code—California Business**

Broker	FIRE			MARINE AND MISCELLANEOUS				
	Gross Amt. Procured or Placed in 1912	Total Prems. Charged Thereon	Amount Canceled	Gross Prems. Returned	Gross Amt. Procured or Placed in 1912	Total Prems. Charged Thereon	Amount Canceled	Gross Prems. Returned
Archer, A. T.	\$	\$	\$	\$	\$ 113,350	\$3,150	\$ 19,400	\$ 229
Bender, A. M.	55,000	445	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Birlem, F. W. . . . .	. . . .	. . . .	. . . .	. . . .	349,176	2,513	67,670	911
Clark, J. E.	1,725,272	11,307	631,500	1,430	62,224	1,852	. . . .	. . . .
Coleman, Clarence . . . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Davis, Burt	468,945	9,181	48,400	1,012	718,179	778	17,000	68
Evans, Evans C. . . . .	. . . .	. . . .	. . . .	. . . .	270,619	1,906	. . . .	. . . .
Foster, Robert D.	25,000	529	. . . .	. . . .	1,000	10	. . . .	. . . .
Harrison, C. B.	174,563	5,479	. . . .	. . . .	673,610	2,932	. . . .	. . . .
Johns, R. G.	97,875	2,535	55,975	929	. . . .	. . . .	. . . .	. . . .
Kahn, Emil F.	7,000	207	5,000	79	. . . .	. . . .	. . . .	. . . .
Mannheim, H. S.	95,200	2,516	61,750	665	612,000	768	. . . .	. . . .
Macdonald, Wm.	412,000	1,687	12,500	149	. . . .	. . . .	. . . .	. . . .
Newhall, Geo. A. . . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Pierce, D. W.	40,000	756	. . . .	40	. . . .	. . . .	. . . .	. . . .
Powers, F. E. . . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Rosenthal, Louis . . . . .	. . . .	. . . .	. . . .	. . . .	537,837	19,820	15,358	552
Rule, O. Rey	27,830	629	3,000	32	334,950	10,723	96,725	2,250
Smith, A. H.	262,545	12,364	52,050	2,059	404,500	2,782	. . . .	. . . .
Stephens, Will	29,347	857	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Wayman, W. O.	68,500	867	46,000	131	. . . .	. . . .	. . . .	. . . .
Ward, Basel	85,465	4,187	12,500	636	2,500	62	. . . .	. . . .
Ward, R. C.	47,500	712	. . . .	. . . .	201,280	2,231	17,966	60
Williamson, C. H.	13,750	444	1,000	44	. . . .	. . . .	. . . .	. . . .
Totals	\$3,607,962	\$54,073	\$926,675	\$7,174	\$3,946,275	\$38,809	\$137,394	\$1,822

Incendiary Attempt

A press dispatch from Seattle says Dr. Augustus H. Holcomb, a leading Seattle dentist, is under arrest on a charge of attempting to set fire to his latest divorced wife. His former divorced wife signed a \$3,000 bond for his release. Neighbors found three lighted candles fixed to the joice beneath the room in which the latest divorced wife slept. This woman testified in the divorce suit that her angry husband had thrown her to the floor and forcibly extracted her teeth.

The New York superintendent now has investigating authority over rating organizations.

**American Leaders with More than
\$15,000,000 Assets**

Ætna	\$23,051,531
Continental	27,070,031
German-American	21,238,425
Hartford Fire	26,492,318
Home of New York	33,406,434
Ins. Co. North America	17,838,533
Fidelity-Phenix	15,145,085

—The present owners of the Williamsburg City offered the Coast agency to a San Francisco board office, which promptly declined it.

—The Ætna wants it generally known that it has no connection with any other company bearing the name Ætna.

CALIFORNIA MARINE BUSINESS IN 1912

Name of Company	Amount	Premiums	Losses	In Force Dec. 31st.	
	Written	Received	Paid	Amount	Premiums
Aetna, Hartford	\$18,487,587	\$332,136	\$72,655	\$5,344,555	\$246,215
Alliance, Philadelphia	2,665,432	42,642	16,839	519,185	29,623
Alliance, London	1,932,412	16,825	13,391	316,133	3,862
American & Foreign	20,650,385	8,923	968	18,975	63
Boston	4,618,753	102,907	28,054	2,366,623	89,240
British & Foreign	34,398,896	108,898	-1,968	1,997,786	22,774
Canton, Hongkong	21,624,546	140,188	59,739	1,627,262	64,832
Commercial Union, London . . .	525,352	25,007	3,132	787,547	9,643
Federal	5,150,604	12,501	1,969	489,291	7,518
Fireman's Fund of S. F.	99,294,159	631,839	169,273	13,422,836	402,250
Fonciere Transports	10,126,448	38,411	7,148	412,657	13,147
General	3,859,869	14,962	2,224	129,977	709
Hartford Fire	1,941,059	52,062	10,658	1,348,064	47,029
Home of N. Y.	4,510,705	3,632	None	101,602	1,665
Indemnity Mutual	833,374	11,429	2,995	275,545	4,815
Ins. Co. of North America	13,838,344	164,329	59,266	2,338,984	105,858
London Assurance	18,482,264	48,591	17,258	501,865	20,225
Mannheim	30,011,055	96,065	37,144	629,476	31,839
Marine	3,293,253	14,602	1,269	446,457	7,205
Maritime	3,132,521	47,218	23,384	934,697	28,527
Ocean, London	7,267,480	38,569	9,456	855,820	24,993
Old Colony	853,069	8,795	1,771	244,593	6,186
Phoenix, London	2,284,520	18,782	218	464,340	13,277
Providence-Washington	4,365,200	54,097	26,516	543,337	32,508
Queen Ins. Co.	6,031,475	13,942	2,710	. . . . .	. . . . .
Reliance	485,680	5,829	1,082	389,920	4,177
Royal, Liverpool	6,276,113	48,844	7,501	1,541,148	42,675
Sea	11,678,373	37,865	2,973	797,812	4,947
St. Paul F. & M.	7,195,006	78,561	24,040	1,409,024	35,058
Standard	14,742,660	73,566	30,792	827,225	17,811
Subscribers at U. S. Lloyds	9,535,978	68,130	20,354	. . . . .	. . . . .
Switzerland General	36,555,525	192,329	60,976	1,661,106	68,005
Thames & Mersey	8,044,349	64,061	24,923	899,338	41,742
Union	2,474,594	43,744	5,471	838,167	69,534
Yang-tsze	6,893,188	75,368	28,256	1,213,039	50,994
Western, Toronto	637,740	3,092	12,734	101,054	2,104
Total	\$424,697,968	\$2,738,743	\$785,179	\$45,795,440	\$1,551,055
Including automobile.					

In New York

Under the new law of New York the insurance department can require non-resident companies to immediately prove a satisfactory condition, at any time, or have license revoked. The American Union toleration is not to be repeated, we hear. No? But supposing there is another St. Paul German and a politician "on to his job?"

Local agents' associations have very little influence in Ohio, where the governor is on a rampage against fire insurance companies, after kicking out the liability companies. The trouble with these local agents' organizations is that they too often put the hot air men into office and care only for a good time at the annual meeting. If we are wrong, correct us.

Secretary Weinmann's Loss

The many friends of Louis Weinmann of the Fireman's Fund deeply sympathize with him in his personal bereavement. His wife, while ill and mentally aberrant, escaped from the nurse's vigilance, went out to a cemetery and fatally shot herself with a revolver, after penning a note expressing her affection for her husband and sons, but adding that her sufferings from illness were too great to be longer borne.

Ed. E. Farnsworth Dead

The well known independent adjuster, Edward E. Farnsworth, died in the Hahne-mann hospital, San Francisco, March 24, after an operation. Mr. F. had long been afflicted with hernia. Descending the stair-way in the dark, he struck the sharp corner of the newel post, and re-opened the old wound. Infection set in, and the necessary surgical operation did not save his life. In his 64th year he passed beyond the bourn of the undiscovered country. A widow and daughter survive the deceased.

Utah.—Our legislature was sane and noiseless. There was no insurance legisla-tion.

We congratulate Utah on the reappoint-ment of Insurance Commissioner Done for another four years.

Personal.—Among our recent visitors were Secretary Gough of the Arizona Fire, Insur-ance Commissioner Willard Done of Salt Lake City, Manager Samuel of the Oregon Life of Portland.

The companies that reinsured in the American Union are liable for losses under policies thus reinsured—and will probably not recover any of the unearned premium.

The Commercial Fire of Washington, D. C., now has a capital stock of approximately \$500,000 with a net surplus of \$260,000. The company's authorized capital stock is \$1,000,-000. We are informed by an officer of the company that it is not intended to further offer the stock to the public during the present year but that the additions to the capital and surplus, if any, during the year

1913 will be taken by the directors and a number of the company's principal stock-holders.

Agent (or Corporation) Not Permitted to Insure in a Mutual or Inter-Insurer

Chicago, Ill., March 5, 1913.—A short time ago you printed an article referring to a decision in New York State regarding the right of a corporation to carry insurance in a mutual company. Please tell us where we can secure the full text of this decision.
F. C.

Reply.—The decision of the Court of Ap-peals of this State, which holds that an agent should not, without special instruc-tions to that effect, insure his principal's property in a mutual company, may be found reported in 26 N. Y., 117. The princi-ple of the decision is this: That one who insures in a mutual company is both in-surer and insured; and that permission to an agent to protect his principal's property by insurance is not permission to bind the principal as an insurer of the property of other persons. Directors of a corporation are simply agents of the stockholders.—N. Y. Journal of Commerce.

The Walla Walla fiasco, and the land transfer; the Ohio German fraud; the Shawnee juggled reinsurance reserve; the United Fire bunco; and now the American Union swindle; and not an offender in jail yet! In Russia and Turkey they do things better.

The Fire Insurance Pocket Index for 1913, by the Spectator Company of New York, was issued Feb. 21, and we acknowl-edge receipt of a copy. The chart gives ten years statistics, with totals and ratio for nearly three hundred fire insurance com-panies. At the bottom of every tabulated page appear valuable explanatory notes. There are other useful contents.

Seattle.—President J. E. Chilberg has moved his Western Union Fire from Van-couver to this city.

The Insurance World Fire Insurance Chart for 1913 is a useful and reliable publi-cation. Casualty company figures are in-cluded. For comparison, 1900 figures are given.

San Francisco Life Insurance Company

Very Creditable Showing Made by This Young Company

Few new life companies operated conservatively and with competent men in charge have ever made a better showing than the San Francisco Life Insurance Company. It is being built up along correct lines and on good foundations.

A year ago the insurance in force paid for was \$3,107,310. Now it is \$5,739,116. The admitted assets, which do not include furniture nor fixtures, nor agents' debit balances, amount now to \$573,127, which is a gain of \$45,569.

The premium income last year was \$216,720, a gain of \$147,578. The mortality experience has been very favorable to the company, being only 31 percent of the expected. In the previous year it was only 23. This experience is creditable to the medical department.

The San Francisco Life has \$250,000 paid up capital and \$178,435 surplus. The assets are largely in excess of liabilities, there being about four dollars of the former to one dollar of the latter. The company is lending money on California realty, within 60 percent of the appraised value, and is averaging 6.30 percent interest on its mean assets.

The president of the company is John A. Koster, a successful business man of San Francisco. E. D. Roberts, president of several banks, is vice president. I. A. Ewing, the fourth vice president, is at the home office all the time. He was formerly with the Golden State Life.

Gordon Thomson, Fellow of the Faculty of Actuaries, is the actuary of the company. Mr. Gordon was with the Life Association of Scotland, now sixty years old, for eight years. He then went to London, where he was associated with the eminent actuary, George King. From London he came to this company.

L. B. Messler, an experienced Eastern life insurance man, who has lived in California long enough to lose all desire to return to Tornado Land, is the director of agencies.

Increased Life Business on This Coast

Figures so far made public indicate that the volume of new life business written in 1912 in the Coast field was largely in excess of the total for 1911 and was the largest ever written. This fact is all the more surprising because it was a presidential election year when business was rather duller than usual.

Large totals of new life business always prove the existence of solid prosperity and increasing wealth.

President Clark of the Union Central Life writes to the company's chief representative:

I take pleasure in advising you that during the year 1913 this company will pay to the beneficiaries on participating policies, four and three-quarters percent interest on all monies left on deposit in 1912, and on any second or subsequent years installment settlements falling due in 1913; on policies either having matured as endowments or under which the death of the insured occurred on or after July 1st, 1912. This liberal action upon the part of the company allows the beneficiaries to participate over the guaranteed rate of interest allowed as follows:

1. On installment and installment bond, and continuous installment policies, of issues of 1901 and prior years, three-fourths per cent.
2. On issues of 1902 and subsequent years, one and one-fourth percent.
3. On sums left at interest, one and three-fourths percent.

Idaho.—Assessment companies will be permitted. Surety bonds need not exceed values to be handled.

The Manhattan Life issued 152 policies for \$240,944 in California last year. These figures came too late for our life table of business in the state. Losses paid exceeded premium receipts.

The Manhattan Life is now issuing a policy giving a reduced premium after the first year. The difference is a guaranteed dividend.

Times will continue hard until the legislatures and the special congress adjourn.

CALIFORNIA MUTUAL FIRE BUSINESS

Business of California County Mutual Fire Insurance Companies for the Year 1912—California Business

Name of Company	Amount Written	Prem. and Assessments Received	Losses Paid
Butte County Farmers	\$ 95,384	\$ 243	\$. . .
Farmers'	461,980	3,214	1,947
Farmers' of Yolo County	108,257	4,033	2,111
Farmers' Mutual Protective of San Joaquin Co.	614,657	8,493	2,235
Hilmar of Merced County	85,189	324	6
Humboldt County	308,042	2,102	210
Lake County Farmers'	45,299	247	. . .
Los Angeles County	2,077,822	17,986	11,271
Napa County Farmers'	113,460	668	. . .
Orange County Farmers'	1,153,220	6,599	3,197
Patrons of Tulare County	187,140	1,199	. . .
Sacramento County Patrons and Farmers'	78,802	2,183	1,916
San Bernardino County	1,601,255	15,736	11,231
San Diego County '	61,295	511	. . .
Santa Barbara County Farmers'	425,315	6,219	3,625
Santa Clara County	279,109	4,045	4,534
Santa Cruz County	45,625	185	. . .
Scandinavian Mutual Protective	1,295,360	21,486	7,304
Sonoma County Farmers'	1,046,554	7,197	2,183
Ventura County	871,808	9,181	1,395
Westside	55,873	239	. . .
Totals	\$11,011,446	\$112,098	\$53,269

Business Transacted in California by Other State Mutual Fire Insurance Companies During the Year Ending December 31st, 1912

Name of Company	Amount Written	Premiums Received	Net Losses Paid	Net Losses Incurred	In Force Dec. 31st 1912 Risks	1912 Prens.
Central Manufacturers	\$ 593,670	\$ 10,456	\$ 3,259	\$ 3,259	\$596,170	\$10,531
Fitchburg Mutual	168,300	2,715	6	6	168,300	2,715
Indiana Lumbermen's Mutual	323,550	3,825	15	15	323,550	5,526
Lumbermen's Mutual	683,689	11,927	5,386	5,386	683,690	11,593
Lumber Mutual	481,600	9,027	396	47	518,582	8,960
Northwestern Mutual Fire Ass'n	2,561,709	124,641	21,989	21,587	. . . . .	. . . . .
Pennsylvania Lumbermen's'	461,750	5,035	367	367	461,750	7,874
Total	\$5,274,268	\$167,628	\$31,421	\$30,670	\$2,752,042	\$47,201

New York.—The Liverpool & London & Globe leads in New York city premiums in 1912, with \$1,316,332. The Home of New York is second, with \$1,136,784; the German American is third, with \$681,935; the North British is fourth, with \$560,195. Other companies have less than \$500,000, down to less than \$2,000.

Mild weather and the enforcement of the arson laws have reduced the fire alarms in New York city about half.

The Pennsylvania state insurance department is now the receiver of the offensive remains of the American Union. We hope this is not a case where the receiver is worse than the thief.

Settled a Sacramento Loss at 55 Cents on the Dollar

Feb. 18, 1913.

Manager Associated Underwriters,
San Francisco, Cal.

Dear Sir: A letter from Sacramento informs us that you settled losses incurred at a Chinese fire at fifty-five cents on the dollar, whereas the board companies interested in the same loss, paid dollar for dollar.

What have you to say concerning this statement? On your door you have the announcement that you settle "Dollar for Dollar." Yours truly,

The Coast Review,
E. H. BACON, Manager.

The Coast Review has received no answer to the above letter. We feel that the refusal to answer is a confession of the truth of the charges made.

The Chinese merchants are Quong Fung & Co. The particulars of the compromise settlement were printed in "Young China," a Chinese daily paper published in San Francisco, which gives credit to the Royal for paying in full, and says Q. F. & Co. will accept no more insurance from the companies which forced them to accept 55 cents on the dollar and caused them much trouble to get that.

A second letter to the Associated Underwriters, Inc., asking for a denial of the report that they had paid only 55 cents on the dollar, remains unanswered.

Criminal prosecution of the officers of the American Union is promised by the Pennsylvania authorities.

Lloyds of London, as well as other Lloyds, must report to the Illinois insurance department on the stock company blanks. So far the London underwriters have reported only their Illinois and not their total business. Their "taxes" item will have a small total, for the London Lloyds dodge premium, agency, board, fire patrol, fees and taxes and other legitimate expenses. The American Lloyds have complied with the new law.

Williams Appointed Assistant Manager

T. H. Williams has been appointed assistant manager of the Pacific department of the American of Newark, of which Geo. O. Hoadley is manager.

Hunter with the Norwich Union

Frank L. Hunter has been appointed Metropolitan manager of the Norwich Union Fire and the Northwestern F. & M., under Manager Fuller, and assumes his duties at once.

New Assistant U. S. Manager of the Royal Exchange

On April 1, U. S. Manager R. D. Harvey of the Royal Exchange will have a worthy assistant in Geo. H. Bell, at present western general agent for the North British & Mercantile. The position has been waiting for the man.

Assessment Bill Killed in Idaho—Deputy Insurance Commissioner Did It With His Little Hatchet Speech

From the Idaho Daily Statesman, March 8th, 1913

Last night when the senate was shooting bills through at the rate of one a minute it stopped long enough to reverse itself on one bill about as quickly as such a trick was ever played. This was on house bill No. 365 by Kelsch and Storey to prohibit assessment insurance companies from doing business in the state.

In the first round the senate killed the bill on roll call by a vote of 11 to 10 with three members absent. Then on motion of Senator Macbeth E. J. Phelps, deputy insurance commissioner, was given the floor and he made such an effective talk against permitting the assessment companies to operate in the state and in favor of old line and fraternal insurance that the senate reconsidered its action, reversed itself and passed the bill by a vote of 14 to 7 with three members still absent.

The Knights of Pythias insurance department now has 70,635 members and \$99,282,006 insurance in force. The assets are \$5,017,973.

MUTUAL LIFE INSURANCE COMPANY

Increased Insurance and Decreased Death Claims—Increased Dividends to Policyholders—In Round Numbers, 600 Millions of Assets—Over a Billion and a Half of Insurance in Force

All sorts of insurance men and bankers and merchants should be familiar with the great annual figures of the Mutual Life Insurance Company of New York, because in resources and practices and record and reputation it is typical of the largest and best of American financial institutions. It is the oldest life insurance company in America and it pays nearly a million and a half dollars a month in dividends to its policyholders—which is the largest amount so distributed by any company anywhere. Altogether the Mutual Life pays about \$5,100,000 a month to its policyholders.

With the resources of this world-famous giant we need not dwell, but may say in passing that the surplus funds are over \$87,000,000, and the liabilities include \$17,368,047 to be paid as dividends to policyholders this year. The policy reserves are nearly a half billion dollars.

Some extraordinary gains were made last year. The increase in new business written was \$16,053,452, the total being \$157,067,823. The insurance in force, \$1,550,888,063, is a gain of \$45,913,401.

The first year's premiums were \$5,463,015, a gain of \$695,900. The total premium income was \$56,747,032, a gain of \$1,704,033. The total income was \$86,446,514.

The legal liabilities are \$511,093,635, and the excess is \$88,031,411.

The dividends to policyholders payable this year are 33 percent of the total premium income for 1912.

In seventy years the Mutual Life Insurance Company

Has paid to policyholders . . .	\$1,066,486,154.94
Has accumulated for policyholders	596,872,780.20
Total benefits to policyholders aggregate . . .	1,663,358,935.14
In 70 years it has received from policyholders . . .	1,471,459,911.20
The excess of benefits to policyholders is	191,899,023.94

The Wyoming bill nigh was to passing, but the life men with tomahawks rallied and killed it in the senate, otherwise the companies would have to invest in the state half of their small reserves on Wyoming business. The house bill requiring solicitors to live in the bleak state was also killed. Butte and Denver populations will continue as heretofore and spill over into Wyoming briefly in good weather.

On page 120a we make an entirely new suggestion to life company actuaries and managers. It is this: our changing industrial conditions and the higher cost of living have enormously increased the number of the unmarried who have no dependents. Even a great war makes not so many single women as the "fierce struggle for existence" of the 20th century. For every unmarried woman there is an unmarried man. There are hundreds of thousands of men and women, to whom life insurance for somebody's else benefit is a joke. They have nobody with any rightful claim for the protection of life insurance. But a pension would appeal to them—a pension enlarged by the plan of the survivorship policy, guaranteed by legal reserves and state supervision of investments. If the life companies decline to issue such a contract, then they must be prepared for competition by a government which will guarantee pensions under a similar policy.

THE MUTUAL Life Insurance Company of New York

RECORD OF 1912

THE close of the 70th year of the oldest company in America shows amount of insurance in force \$1,550,888,063—a gain of \$45,913,401—and an increased amount of new insurance paid-for during the year, \$157,067,823, including restorations, increases and dividend additions—a gain of \$16,053,452.

Other notable features of the year's record are:

Admitted Assets	\$599,125,046.26
Policy Reserves	482,570,537.00
Total Income	86,446,513.74
Total Disbursements	71,672,098.91

Payments to policyholders, \$60,965,488.96, include dividends paid to the amount of \$15,006,280.25, while the sum of \$17,368,046.93 has been apportioned for dividends payable in 1913—an increase over the amount paid in 1912 of \$2,361,766.63, and a larger sum than has ever been apportioned for dividends in a single year by any other company in the world.

BALANCE SHEET DECEMBER 31st, 1912

ASSETS	LIABILITIES
Real Estate	Net Policy Reserves
\$ 23,532,623.87	\$482,570,537.00
Mortgage Loans	Other Policy Liabilities
139,691,244.47	8,902,784.95
Loans on Policies	Premiums, Interest and
80,059,863.76	Rents paid in advance
Bonds	1,859,395.12
308,825,070.28	Miscellaneous Liabilities
Stocks	392,870.94
33,583,071.00	Estimated Taxes, Licenses,
Interest and rents due and	etc., payable in 1913
accrued	801,752.46
6,550,812.81	Dividends payable in 1913
Premiums in course of col-	17,368,046.93
lection	Reserve for future Deferred
4,072,051.09	Dividends
Cash (\$1,889,812.54 at in-	74,682,996.84
terest)	Reserve for Contingencies
2,196,742.05	12,546,662.02
Deposited to pay policy	
claims	
613,566.93	
Total Admitted Assets. -	Total Liabilities. - -
\$599,125,046.26	\$599,125,046.26

For Terms to Producing Agents, Address

GEORGE T. DEXTER, 2nd Vice-President
34 Nassau Street, New York, N. Y.

Coast Marine Business for the Past Year, 1912

Name of Company	Amount Written	Premiums	Losses Paid	Ratio Losses Paid
Fireman's Fund	\$142,203,098	\$870,329.94	\$273,900.55	31.5
Ins. Co. of North America	19,416,712	234,260.89	90,516.92	38.6
Providence Washington	4,684,274	63,194.42	26,993.59	42.7
Alliance of Philadelphia	3,509,310	56,266.84	23,115.55	41.8
Mannheim	30,025,336	96,296.93	37,144.15	38.5
British & Foreign Marine	40,283,930	126,752.34	5,468.37	4.3
Canton	31,186,289	182,262	61,950	34.0
Ocean Marine	8,010,056	40,062	9,455	27.2
London Assurance	19,283,407	53,133	17,258	32.5
Commercial Union Assur.	91,826,089	39,224	*—2,152	. .
Switzerland	57,114,258	263,006	68,516	26.1
Thames & Mersey	18,364,736	128,082	29,571	23.0

*Salvages and reinsurance loss recoveries exceed losses paid by \$2,152.

Retiring Idaho Deputy Wined, Dined and Watched by Insurance Men

E. J. Phelps, retiring deputy state insurance commissioner, was the guest of honor at a dinner tendered by the Insurance Men's Association of Boise on the evening of March 3. Thirty representatives of all kinds of insurance made short addresses laudatory of the work by Mr. Phelps. A handsome gold watch, neatly engraved with his name and an expression of good will was presented to him by the association.

The speakers of the evening praised the work done for the better protection to the policyholder and the permitting of companies to enlarge their field. The new laws passed by the legislature were highly praised by the insurance men and Mr. Phelps was given the credit for having worked out the details of the law.

Resolutions were passed complimenting Governor Haines upon his selection of Mr. VanValkenburg as state insurance commissioner and thanking him for the appointment.

Mr. Phelps responded to the resolutions and the address of Walter S. Bruce, who presented the timepiece. He thanked the members of the association for the honor which they had conferred upon him and stated he hoped he would always live up to the high plane upon which the insurance men insisted on placing him.

L. W. Ensign, president of the association, was the toastmaster of the evening.

The resolutions declared that Mr. Phelps's conduct of the office was satisfactory to the underwriters and to citizens generally; that at the suggestion of the insurance men of the state he had prepared for the legislature insurance code amendments which added to the protection of companies, agents and policyholders. This good work was declared to be monumental. The presentation was made in these words:

"We present to him the accompanying time-piece, with the hope that it will assist him at all times in meeting his engagements; that a glance at its face will always bring up pleasant memories; and that it may mark off for him a long and useful life; and that to the end, he may always rest secure, as he now is, in the estimation and regard of his fellowmen."

Personal.—Manager C. A. Henry has returned from an inspection of the water supply of Paso Robles, Cal.

The Standard Fire Tables of Boston for 1913 give ten years figures, including amount at risk. Also rank by assets, surplus and premiums. The Hartford Fire leads in premiums, losses and amount at risk and has for ten years past.

The Coast Review's Pacific Fire Chart, giving Coast business of companies, will be ready for delivery in a few days. Is your order in? This is the only chart epitomizing the court insurance decisions of the past 12 months.

Death of President Browne of The Connecticut

A telegram announces the sudden death of Pres. J. D. Browne, of the Connecticut Fire Ins. Co., in Hartford, on March 23rd. He had just returned from a visit to Chicago.

Mr. Browne was born in Connecticut, in 1836, and began his useful life as a teacher in his native town. On reaching his majority, in 1857, he went to Minnesota and engaged in business. He later became special agent, and for three years served the Hartford Fire Ins. Co. in that capacity. In 1870 he was appointed secretary of company and removed from Minnesota to Hartford. Ten years later he resigned and, was elected president of the Connecticut. This position he held over thirty-two years, until his death.

Mr. Browne was one of the strongest characters in the business of fire underwriter. He was a born fighter.

Life Insurance Policy Loans an Abused Privilege

From 63d Annual Report of Union Mutual Life Insurance Company of Portland, Me.

The loan feature in policies is apparently much misunderstood; the tendency to look upon this value as a sum that should be withdrawn, in order to have the full benefit of the contract, and to think that if this is not done something is being lost, is far too common. Life insurance is the readiest cash asset a man can leave to his family, excelling all other securities in convertibility, and for this reason alone it ought to be the last piece of property to be encumbered by a mortgage. In many instances loans are of the utmost service, but the privilege as a whole is much abused by injudicious and heedless borrowing. Undeniably there are times in any man's life when he feels the need of more money than is readily available, but unless his use for it be something stronger than to make a purchase of doubtful expediency or to undertake a problematical business venture, he is going beyond reasonable prudence when he places a lien upon the future welfare of his family for some half-considered or needless purpose. A man who would hesitate to mortgage his

home, thinks nothing of borrowing money upon his policy, because it can so easily be done, forgetting altogether, or perhaps not comprehending, that he is, by encumbering his policy, placing even more of a handicap upon those whom he holds dear and wants to protect. Policyholders are again urged to give serious consideration to the consequences of a loan before completing the transaction; and the importance of repaying existing loans, in full or by partial payments, is also emphasized. Loans hamper the efficiency of policies, and interest unsatisfactorily adds to the required yearly outlay.

Personal.—Norman Bates, son of Lesley Bates, assistant manager of the Pacific department of the Commercial Union and Palatine, has been appointed a lieutenant in the United States Navy and assigned to the Norfolk, Va., station. Our old friend Lesley has literally obeyed the Scriptural injunction and is the happy father of five children.

President Patton of the Northwestern National is visiting this Coast.

The Missouri State Life holds or will hold the stock of the Hartford Life, we are told. When will the companies consolidate and the assessment branch be set adrift? Does any company want to reinsure the Missouri State Life?

The Hon. Fred E. Richards has been president of the Union Mutual Life Ins. Co. nearly 20 years. The Maine people "swear by" the company and its management. And it has a lot of friends on the Pacific Coast too.

Map.—The S. F. Inspection Bureau has issued a new map of the Panama-Pacific Exposition grounds, from which we learn that the grounds proper extend from Buchanan to Baker street, a length of eight blocks, with an extension into the government Presidio. Apparently the site will be a mile long and a half mile wide.

Idaho.—County fire mutuals may maintain emergency funds. For the Levanter?

Railroad Must Pay Full Damage to Insurer

Where an insurance company paid insurance on a house burned through the negligence of a railroad, and the insured assigned his cause of action to it, the measure of recovery in an action by the insurer is the full amount of the damage sustained, regardless of what might have been recovered under the policy.—Connecticut Fire Ins. Co. v. Chester, P. & Ste. G. R. Co., 153 S. W. 544.

Boss Cox of Cincinnati is under indictment in connection with a trust company. Can it be that this is the reason the Cincinnati Life is dissolving? Will the Hartford Life or the Missouri State Life be affected?

MARRIED.—The wedding of Mr. Herbert P. Blanchard and Mrs. Glenna C. Wilmarth occurred on March 26, 1913, at Sacramento, Cal. The Coast Review congratulates the bridegroom and felicitates the bride. Mr. Blanchard is the very efficient assistant secretary of the Fireman's Fund Insurance Company.

The Postal Life now pays its members a bonus for introducing new members. Life insurance by mail is a failure—life insurance by male and female agents is a success.

Pres. Sills of the National Association will shake the mud-sills of life insurance in Seattle and address the congress.

A Pennsylvania fraternal mutual reinsured in a similar association in New York. Then the officers of the former took all its \$20,000 assets as their commission for reinsurance.

In the Argus Fire Insurance Chart for 1913 ten years figures are given, accompanied by ten years averages of business done. This chart is unique in this respect. A special table gives the net ratio of companies for ten years.

Local agents everywhere should organize—for the business as a whole as well as themselves.

Ins. Co. of North America Wins in Oregon

In John and Susanna Vierck v. Ins. Co. of North America, in the federal district court for Oregon, the jury decided for the company. Adjuster Lloyd and Attorney Veazie fought the case for the defendant. Mr. V. successfully fought the Allesina case for the Fire Association a few years ago, when other companies lost. Judge Bean's instructions to the jury deserve the liberal space we shall give them.

Stone and the New Zealand

Stone, the heavy president of the late lamented American Union Fire, told a falsehood when he said he had authority to appoint a general agent in the East. The report of such authority led the San Francisco representatives to cable to the home office, which wired back a denial. Stone made the story out of whole cloth. Stone appointed a New England firm agents for the New Zealand, which he has never represented.

Fire Losses in Los Angeles

Year	Alarm	Losses
1888	183	\$300,000
1898	342	299,225
1899	355	423,730
1902	554	440,420
1904	818	527,545
1905	760	615,630
1906	1,165	682,735
1907	1,074	631,942
1908	877	442,335
1909	439	405,485
1910	1,163	376,985

Chapman & Nauman, Coast agents for the American Union, reinsured in the New Zealand and paid the premiums out of their own pockets.

It is said that Stone bought a "one way" ticket for Europe.

Public adjusters in New York now operate under a restrictive law under which there will be fewer strictures hereafter. A juster law was never framed.

NEW ZEALAND INSURANCE CO.**Gain in Business and Resources**

It will surprise some of our readers when told that a company hailing from the islands of New Zealand is in its 54th year. Yet the leading fire company of the imperial colony, the New Zealand, is that old, and it has accumulated \$5,550,815 assets and its wealthy stockholders stand ready to put up \$6,000,000 more.

The net premium income last year was \$3,380,485, which is a gain of \$190,445. The surplus on the year's transactions amounts to \$511,180, after providing for all ascertained losses and writing down investments. The company is therefore prosperous.

In addition to the \$1,500,000 capital paid up, the company maintains a special reserve fund of \$1,500,000 and has a net balance of \$262,550. The net surplus, according to the American standard of reinsurance liability, is about \$1,260,000, making the policyholders' surplus about \$2,760,000, which sum affords very substantial indemnity to policyholders.

The Pacific department wrote over \$500,000 premiums last year, with a loss ratio of less than 30 percent. The San Francisco premiums were nearly \$118,000. The joint managers are Clinton Folger and W. M. Speyer.

The Finch Digest by the Rough Notes Co. of Indianapolis, for this year, has been received. We defer a more extended notice to our next issue.

Obituary.—We are able to print a good half tone of the late Arthur Grant Sanderson in our next issue. Mr. Sanderson succeeded the late E. C. Morrison as general agent of the Ætna. He was one of the most

capable and thorough underwriters in the West.

London & Lancashire and Orient in Handsome New Offices

For the next ten years, and possibly longer, the Pacific department of the London & Lancashire and the Orient will be housed in the new Orient building at 332 Pine street, San Francisco.

The entire ground floor is occupied by the two companies. The artistic interior finishing and the beautiful new office furniture make a combination hard to excel. A sole entrance from the street leads to the private office of Manager Wyper. The general offices open into the lobby of the main entrance.

For general attractiveness and light and ventilation the new offices are ideal.

S. B. Crane, of Portland, Oregon, says that on his return from Reno, Nevada, he stopped off for a day in Sacramento and met an acquaintance, now manager for another company, who informed him that one of his best agents in that city had died the week before and had left a widow and three small children in destitute circumstances. The gentleman with five other agents had taken the dead man's prospect book and were out closing business and donating the commissions to the widow. The argument that the agent had left no insurance for his family, closed nearly every prospect on the list. Moral: Don't do as this insurance agent did, but get busy and write your own application first. It is better to show your prospects that you carry life insurance than to tell them that you "intend to take some later." If you can't convince yourself, how do you expect to convince the other fellow?—N. Y. Life Bulletin.

The Father of His Country found a sycamore tree on the Ohio river, in 1770, that measured 44 feet and ten inches in circumference. This diameter of over 15 feet is as large as that of many of California's giant redwoods. The soil was rich in those days.

NEW ZEALAND

INSURANCE COMPANY, Ltd.

AUCKLAND, NEW ZEALAND.

ORGANIZED, 1859.

Head Office Statement of November 30, 1912.

Subscribed Capital	\$7,500,000
Paid up Capital	1,500,000

ASSETS

Government Securities and Debentures	\$2,300,739
Mortgages and Shares	656,119
Office Premises and other realty	1,533,759
Branch and Agency Balances	488,489
Cash in Bank and other Assets	571,709

\$5,550,815

LIABILITIES

Reinsurance Fund	\$1,350,000
Appropriation for Unadjusted Losses	513,955
Sundry Creditors, etc	393,490
Investment Fluctuation Fund	30,820
Paid up Capital	1,500,000
Reserve Fund	1,500,000
Balance	262,550

\$5,550,815

PACIFIC BRANCH

Company's Building 334 California Street
San Francisco, Calif.

CLINTON FOLGER & W. M. SPEYER

Joint Managers.

SPECIAL AGENTS

<i>Frederic Williams,</i>	-	<i>Denver, Colo.</i>
<i>W. G. Fortmann,</i>	-	<i>Portland, Ore.</i>
<i>G. A. De Groff,</i>	-	" "
<i>C. P. Lyndall,</i>	-	<i>Los Angeles, Cal.</i>
<i>D. A. Parker,</i>	-	<i>San Francisco, Cal.</i>

There Should Be Survivorship Life Insurance Policies

The "struggle for life" under the conditions of modern human life is becoming more severe every decade. It is called "the increased cost of living" and is universal. The world is producing relatively less and the cost is more. Land is less fertile, taxes are higher, combinations are universal, and the congregation of much of humanity in large cities adds many charges to prices.

Therefore the birthrate is declining. Families are smaller and the proportion of unmarried people is increasing. These facts imply an increasing number of men and women who find no want supplied by life insurance as at present constituted. It is not indemnity payable to dependents that they need, nor an endowment policy maturing in later years.

What these tens of thousands of working men and women do need, however, is a guarantee against dependent old age. They want a sure income when past 60 or 65, made large by the funds contributed by men and women who do not survive to this age.

Of course, a survivorship policy of this character is essentially a tontine policy. But it is a beneficent one, without any element of gambling. The dead, who need nothing, forfeit their contributions to their fellows who survive; and the fund thus created earns pensions for the dependent aged who are scarcely less worthy of aid than the children and widows of younger men who carry life insurance.

A survivorship policy should be authorized by legislation, and the funds it creates should be protected by every condition of law suggested by the experience of investors.

Such a policy should supply a real need; and experience with annuities in Europe affords evidence that many prudent childless people in this country, to whom the annuity contract does not

THE LIFE INSURANCE
WRECKER
IS ABROAD IN THE LAND

appeal, would pay something every year into a pension fund, payable only to survivors.

The pension survivorship policy would be a legitimate form of protection for life insurance companies to offer, and could be offered by soliciting agents after failure to secure an application for the ordinary policy; because the children are grown up and self-supporting or the prospect is single or without dependents.

The Pacific Mutual Life has lent \$4,353,237 to its policyholders, on the security of the policy reserves.

Accident Legal Brevities

A policy guaranteeing perfect protection after the policy has been in force 60 days, and stipulating for a payment of a specified sum on the death of insured caused by external, violent, and accidental means, insures against a death occurring from accidental means, though the accident happened within 60 days after the issuance of the policy.—*Empire Life Ins. Co. v. Gee*, 60 So. 90.

An agreement that the payment of part of a fixed sum due on an insurance policy shall cancel the obligation is without consideration. In an action for a balance due on an insurance policy, evidence held sufficient to go to the jury as to whether a purported compromise was procured by fraud.—*Biddlecom v. General Accident Assur. Corporation*, 152 S. W. 103.

SHINGLE MILLS

From a Paper by Frank L. Kowrick, Special Agent Fireman's Fund Insurance Company, Read at the 57th Annual Meeting of the Fire Underwriters' Association of the Pacific

There are in the neighborhood of 400 shingle mills within the boundary of that part of the state of Washington west of the Cascade Range, comprising the great timber belt, Snohomish county leading with more than one-fourth of the entire number; Whatcom county being a close second.

KINDS.

The shingle industry is carried on in two classes of mills, the wet log and the dry log, dependent on whether the logs or bolts are kept stored in the water or whether they are sawed direct from logs or bolts which have not passed through the water. However, a strong distinction should be drawn between the hazard of mills that cut and allow its logs to lie for a season in the woods before they put them through a mill, and those that work up green logs. A like distinction should be drawn between the mills that cut logs which have been in the water for a considerable time and the mill that is working on logs dumped into a small pond of about 20 feet by 150 feet wherein the water is sometimes too shallow to float the larger logs and in which the logs and bolts lie only a short period of time. In such case the pond is only an excuse to secure the credit in rate of a wet log shingle mill. It is a rank fallacy, for to be a real wet log mill and to eliminate the hazard of dry dust, the logs must have been floating in the water long enough to have become saturated. Therefore, the fact that a plant is called "wet log" does not always mean that it is a more desirable risk than a "dry log" mill. To the writer the ideal "wet log" shingle mill is the plant located on tide water where logs can be had in the open market or situate along a body of fresh water, where logs and bolts floating down from many a streamlet are gathered, or into which the railroad company can dump logs or bolts, thereby the mill gaining access to a large territory with inexhaustible supply.

Whereas a dry log plant, perhaps, with a small artificial pond supplied with water from a small brooklet or through a pump, thus gaining the name of a wet log shingle mill, which usually indicates a small plant, cheaply constructed, located far away from transportation, with a limited supply of timber belonging to the mill man or possibly to a small rancher in the vicinity. Frequently the supply consists of cedar stumps left by the loggers some years ago at a time when they were rather extravagant and cut the trees some six to ten feet above the ground. It is true, when these stumps are cut into bolts they make very desirable shingle material, but the plant is not a desirable risk on account of its scant supply.

* * *

MORAL HAZARD.

I believe the moral hazard is the most important part in accepting a shingle mill risk. No doubt it has caused a large percentage of losses in recent years. The fact that a plant is making money for its owner is the very best protection. He is prosperous, has his machinery in shipshape

order, takes every precaution, stands watching day and night, as it were, with a pail of water in his hand, has the best watchman money can hire, one that is strong and active, of good judgment and capable of quick action in case of emergency. The very best judgment is often required to know when to stop and fight the fire and when to run and give alarm; these qualifications and duties seem a great deal to expect of a man occupying a humble position of watchman, but it should be borne in mind that in most plants thousands of dollars of property are in the watchman's sole charge for a large portion of the time. It is false economy to try and save a few dollars by hiring cheap and inefficient men for such service; too often the plant is left to the watchman whose only qualification is that he will work for small pay or he is an old employee who is long past his years of usefulness, or he is a cripple who is not able to do hard work, or he is an ignorant foreigner who has not been in this country long enough to know English. Not that the mill owner would intentionally cause the plant to burn, but many have all their capital, the earnings of years, tied up in the mill and sometimes the plant is heavily mortgaged in addition. When the bottom drops out of the shingle market and he is losing money and feels he cannot afford to pay a competent millwright, but replaces him by a second rate man who is a "jack of all trades;" allows the line shafts to get out of alignment, the machinery is kept in poor condition, possibly running too fast, creating friction, and hot boxes develop fire and the destruction of the plant must ensue. To cut expenses further, the night fireman is merged into night watchman and clean-up man. It is impossible to serve two masters; if he clean the mill as it should be, the fire box must be neglected, and good work cannot be done with inefficient service. With the use of the Dutch oven the hazard is still greater.

PHYSICAL HAZARD.

We, of course, have in mind the construction of the standard mill, but let us go behind the scenes and look upon the real conditions. A very small percentage of shingle mills, as compared with lumber mills, are built up to standard. There are exceptions, however, but the average mill is rather cheaply constructed, oftentimes on piles over tide flats.

Blower systems are hardly known in shingle mills and for that reason the accumulation of dust is more abundant than in other classes of mill risks. I only know of one shingle mill located at Anacortes which has a blower system installed. Shingle dust is a great conductor of fire. It is even dangerous to direct a small stream of water into a pile of burning cedar dust; the burning particles will float on the water like so much oil and has a tendency to explode. A fire that cannot be extinguished with a few pails of water, may as well be counted beyond control. Not enough stress is placed on the necessity of barrels of water with fire pails. The old time experienced mill men will tell you how essential they are.

The boiler is usually located in the main mill building with not as much as a one inch frame partition to exclude the stray sparks from either fire box or from cracks in a defective brick boiler jacketing. Too often the steam pump, the only source of water supply, is installed in the boiler room, and at just the time when it is most needed, it is out of commission. Oils are frequently kept in the boiler or engine room, with no drip cans to catch the waste oil, but is allowed to saturate the floor and mix with an abundance of dry dust, constantly accumulating.

If it were possible to get the mill men to whitewash the inside of their plants, it would not only give the protection that is usually expected from whitewashing, but would show up the dust more plainly and demonstrate to the mill owner the necessity of keeping the plant swept clean. The indifference in the care of old used cotton waste is simply dreadful.

A standard refuse burner is too expensive for the average small shingle mill, therefore the open slab fire is much in evidence and this is another reason why a competent watchman should be on the job all the time.

KILN.

I think too much emphasis is attached to the construction of the kiln and that not enough attention has been paid by insurance men to prevent overheating. There are various causes of fire in kilns, but I believe that the usual cause is overheating. Experiments have been carried on by certain mill men and by Prof. H. K. Benson, who holds the chair of Industrial Chemistry at the University of Washington, and these experiments show conclusively that many dry kilns destroyed by fire, supposed to be of incendiary or other origin, have been due to spontaneous combustion.

In determining what products can be obtained from wood for commercial advantages, it was found that when cedar was subjected to a perfectly safe temperature for a sufficient length of time to entirely remove the moisture from the wood, it immediately thereafter began to absorb heat and to form certain dangerous gases, for cedar is filled with thousands of cells. At the time the timber is cut these cells are filled with air and water. The drying process causes evaporation, leaving air spaces in each section of wood and reduces the fibre to a very thin substance almost like tinder, therefore the excessive heat causes a charring of the shingles, and if this is not checked the shingles are likely to burst into flame.

The cause of overheating is due largely to the present system of marketing the product. Shingles are sold by the thousand and it is to the advantage of the shipper to have them weigh as little as possible. If they weigh less than the customary weight, the difference in freight is just so much profit to the manufacturer. This leads naturally to forcing the kilns to obtain what are called "underweights." If there is no legitimate profit, the manufacturer just makes his margin on underweights. This temptation is removed when the product is shipped by water and would be removed in all cases if railroad companies would base their freight charges on so much per thousand shingles, instead of the actual weight. Fires in kilns of lumber mills are infrequent as compared with those in shingle kilns. Kilns which burn from overheating do so at a temperature of over 180 deg., a temperature below 180 deg. is not dangerous. Old time mill men tell me that when the temperature reaches 200 deg. the control is gone, and the heat is likely to jump as much as 25 deg. to 30 deg. in a few seconds.

I believe a more severe penalty should be exacted for the lack of a competent watchman, the absence of barrels of water with fire pails, together with a thermometer that registers the exact temperature. These may seem rather insignificant, but not so when we consider that the pilot of the boat and the engineer of the train are ever at their posts: they know that the machinery must be in shipshape order, that their steam must be right, or the worst is likely to happen. If the same care would be applied in the case of the shingle mill the hazard would naturally be reduced.

THE CONFLAGRATION HAZARD OF LOS ANGELES

From a Paper by Geo. F. Staniford, Special Agent Fire Association, Read at the 37th Annual Meeting of the Fire Underwriters' Association of the Pacific

Beginning a half century ago with its primitive construction of adobe and brick, hardly averaging two stories in height, the city now presents a picture of development that can hardly be realized by anyone other than permanent residents.

Sanborn Map has been watched with interest with its regularity of corrections, and the insurance mind has studied the changes from frames, four-story bricks removed, to modern concrete or steel constructed ten and thirteen story buildings, and this has been a pleasure and study for insurance experts the world over, watching and reading the change in the development of this great city, to modern construction buildings of the maximum height permitted by law.

In this transformation of removal and reconstruction, the underwriter has taxed his wits, with Sanborn's Map, special agent's reports, manager's personal inspection, and other mediums to arrive at a logical conclusion as to block lines that a company should maintain, when suddenly by continued building activity, the tearing down, and building in place, tall modern buildings of large area, creating in themselves an insurance individuality that has compelled companies to revise entirely their method of determining block lines, and making special lines on such buildings entirely independent of regularly established block lines.

This departure is most likely caused by fire-proof construction of such large areas, embodying in itself a special and distinct line where little hazard exists, hence a very large authorization as compared with former block lines, in which the building itself is located.

The hazard of every block that has had the benefit of this class of construction, has been very materially reduced by the removal of frames that have been a menace to the block in which it was located, and the new modern structure, with wire glass windows and protected openings forming a barrier, that much thought and consideration should be given by experts, *such* elements have been conducive to enlarging liability in the congested district and I think wisely, as conditions are for the betterment of insurance interest, *but* it must not be understood that all the modern construction buildings are equipped with proper openings and wire glass windows facing closely to other buildings, as this deficiency is noticeable in several instances, and the absence of wire glass windows and enclosed elevators, in buildings of the older construction of six and seven stories is common, these deficiencies must be ascertained by personal inspection in determining liability for special lines.

A year or two ago, and in fact to the present time, it has been a pronounced opinion among resident insurance men that a hazard existed in this city that was of far more importance, and endangered the retail dry goods district to a greater extent than the faulty construction, and improper regard for protection of openings in the interior of blocks to which the National Board of Fire Underwriters refer particularly in their report of May, 1910.

The hazard referred to, forming what is known as the "Hill Side Apartment District," extending from First to Fifth streets, Hill street to Bunker Hill, the latter being the crest of the hill, contains many frame hotels, apartments, and rooming houses, of large area, referred to briefly in

the National Board report on page 48, hardly conveys the idea that this district forms a menace to the retail congested district, and it was this hazard that prompted this article, believing it to be a serious question for close investigation in determining a maximum line for a company to carry, in the congested district with this hazard next door to it across Hill street, 50 feet distant.

In watching this district for five years, wondering what would happen in a high wind which frequently prevails, were a fire allowed to get away on Grand avenue, sweep over the top of buildings on Olive street, and with the reinforcement of flame and heat gathered up in its path cross Hill street to the millions in stocks on Hill, Broadway and Spring streets.

Such a fire would prove a great conflagration, and would involve millions of dollars, should only one block be destroyed.

There can be no question but that this feature is the most important hazard endangering the business district, the hazard still exists, and should maintain a position in the establishment of certain block lines, where the heavy values are maintained.

To the credit of this hazard, it is a noteworthy fact that the west side of Hill street has been almost completely built in with modern construction buildings, such as Wright & Callender building, southwest corner Hill and Fourth streets, nine stories; Black building, northwest corner Hill and Fourth streets, eleven stories; Luckenbach building, Hill street, between Third and Fourth streets, eight stories; Ferguson building, southwest corner Hill and Third streets, eight stories; Young Women's Christian Association, next north, seven stories.

This condition has resulted during the last three years, and these modern buildings of reinforced concrete, or steel, have formed a partial barrier to a possible side hill conflagration extending to the business center.

The recommendations of the National Board in their last report, for the increased protection of the business district is being constantly complied with and demonstrates that the city government is alive to the requirements necessary for the fullest protection to the city from conflagration.

The National Board's recommendation for larger mains, new type hydrants, hose, additional fire apparatus, transformation of horse driven to motor driven machines, increased number of fire houses in the business district and outlying districts, and stand pipes on First, Second, Third and Fourth streets, running from Hill to Bunker Hill, establishment of auto truck and additional hose in the Bunker Hill district to handle and operate hose, *pumped* to them, by the engines on hydrants at Hill, First, Second, Third and Fourth streets, making quick and efficient service, have been complied with.

These improvements made since the report of the National Board are creditable, and deserve much consideration in the establishment of a company's carrying capacity.

The widening of San Pedro street, South Hill street, South main street and Eighth street, are further evidences of the desire to prevent great fires in the future.

The manufacturing district on the Los Angeles river line, contains no well defined conflagration hazard, being mostly individually located, not badly exposed.

The wholesale district is being improved every day in the modern construction of concrete and bricks, and many barriers have been formed by such buildings.

The Fool — Who Attempted to Rescue an Imperiled Person

By Will B. Wilder, in the Docket

Jan Machofsky was not an amiable man. He was an iron miner, in the employ of the Ferro Mining Company, and he was counted a valuable man because of his great strength, his experience, and the furious speed with which he could tear his way through a piece of work; but he was not popular.

He was surly, ill-tempered, savagely intolerant of weakness or ignorance, and merciless in his brutal reprisal, if any of his fellow workmen attempted, by the accepted horse play of the community, to discipline him into more genial behavior. So for the most part he was left alone. Machofsky would have said that he preferred to have things that way.

One day he found a new man had been detailed as his assistant. The change did not please him, partly because the new man looked green, and Machofsky hated all incompetence, and partly because he suspected that his former assistant had been glad to get another assignment. He looked the new man over with a sneer that boded no good.

Their work that day was to blast out the ore by means of dynamite and fuse. Holes were drilled into the solid wall of the mine, the dynamite placed therein, and the attached fuse lighted. The new man, Martinovitch, was so slow and stupid that Machofsky was soon at the raging point. The fact that Martinovitch covered before him, instead of standing up to him, was oil on the conflagration.

One round of five holes had been successfully fired off, and a second set bored. Machofsky had placed the dynamite with attached fuses in two of them, and was working at the third, when, chancing to glance around, he found that his assistant, anxious to prove his zeal, had already lit the fuses of the two that were ready, and was

carefully watching them sputter to see that they did it right.

Machofsky dropped his tools with an oath and made a headlong plunge for safety. Martinovitch still stood beside the sputtering fuse.

"Come away, you fool," shouted Machofsky. Martinovitch answered with an apologetic smile, but clearly did not understand what the order meant, for he did not move.

In the next second and a half Machofsky thought of a great many things. He reflected on the fact that Martinovitch was a fool, and that the world would be better off without him. He debated the question whether Martinovitch had deliberately tried to blow them both up, and decided that he had not. He pictured the embarrassment of the foreman when he realized that his assignment of so incompetent a miner to Machofsky had precipitated a serious accident. There was satisfaction in that thought.

Then he began to wonder whether there would still be time for him to rush back, clutch Martinovitch by his worthless collar, and drag the fool away to a safe distance before the explosion came. His mature judgment as an experienced miner assured him that there was no time. Then he began to argue the question. Possibly he could make it; he usually could do what he determined to do. Then he found his hand on Martinovitch's collar. And all inside of a second and a half.

His judgment that there was not time enough was correct. The explosion came just at that moment, and when their fellow workmen dragged them away, Martinovitch was dead and Machofsky unconscious.

When Machofsky came to his senses in the hospital, he had little to say; but he spent a great deal of time trying to puzzle out why he had gone back. He was as big a fool as Martinovitch to do such a thing. And yet—he had never guessed before what a satisfaction there might be in playing the fool. He

was glad he had gone back, with a puzzled and secret joy which he would have died sooner than admit.

"You can claim damages from the company," said his physician one day. Machofsky smiled grimly and shook his head. He knew the company too well. But the young surgeon had become interested in his patient, and he laid the matter before a friend of his, who was a lawyer.

"The man is crippled for life, though I don't think he realizes it. Can't you work it in some way so that he will get some compensation?"

"We'll see about it," said the lawyer. So, with Machofsky's cynical assent, suit was brought against the Ferro Mining Company. The defendant, of course, interposed the defense of contributory negligence and assumption of risk, and moved for judgment.

The trial judge, however, allowed the case to go to the jury, and the result was a verdict in favor of the plaintiff. The company moved for a new trial, and, when the court denied this motion, it gave notice of an appeal.

Machofsky's lawyer, who had put as much hard work and enthusiasm into the case as though he were working for money, instead of for charity, explained to his client that this reverse was merely temporary, and to be expected at that stage of the game.

"We will go before the Supreme Court, and get final judgment," he explained.

Machofsky smiled with a cynical unbelief that was his habitual attitude.

"You think the courts decide for a poor man, against a rich company?" he sneered.

"You decided for Martinovitch, against yourself," said the lawyer.

Machofsky smiled, with superior wisdom. "I was a fool. The law, he ain't no fool."

"You aren't fair to the law," said the young attorney, hotly. "Sometimes it is fine enough to be just that."

Machofsky shook his head, and turned away. Secretly he knew that he would not trade the memory of that glorious and foolish half second, when something had sent him back to Martinovitch, for the best year of his life; but that any one else could understand such folly, or that the law of the land could justify him in it, was beyond belief. "The court no such fool," he said positively.

But Machofsky had the second surprise of his life when the case came before the supreme court.

"It is well established," said the court, "that when, through the negligence of one person, another is placed in imminent peril of his life, a third person, standing by, who successfully rescues or unsuccessfully attempts to rescue the imperiled person, may recover for injuries received by him in the attempt, in an action against the one whose negligence imperiled the life of the rescued person, unless it appear that the attempt to rescue was clearly one of rashness or recklessness. Upon this question the law is neither harsh nor exacting. Sentiments of humanity applaud the act, the law commends it, and, if not extremely rash and reckless, awards the rescuer redress for injuries received, without weighing with technical precision the rules of contributory negligence or assumption of risk. The question is ordinarily one of fact for the jury, and in this case the evidence sustains the verdict. The questions of law involved are well presented in the opinion and citations in *Perpich v. Leetonia Mining Company*, 137 Northwestern Reporter, 12."

"I did not think the law was so foolish," said Machofsky, trying to hide an emotion which he found embarrassing.

Where a company charter provides that the net profits shall be divided pro rata among the policy holders, as the directors may determine, and it has accumulated a large surplus, the directors are bound to ascertain and pay over their equitable proportion of the surplus.—*White v. Provident Life & Trust Co.*, 85 A. 463.

CHIPS

—The Wells Fargo Nevada National Bank in San Francisco has discharged all its female employees.

—Life insurance rebating is again common east of the Rockies—but of course not west. Penalties are not perils. The anti-rebate law smells rotten.

—The Fireman's Fund golden embossed stationery for this golden jubilee year is an excellent fancy of somebody. The product of golden risks from the mines of 1913 should be large, making the "clean up" a memorable one.

—The school board of Berkeley, Cal., deliberately gave the school insurance to companies which had no agent residing in that city, and which had made a bad record in the settlement of losses in the San Francisco conflagration. They "saved" something on the insurance. But if a school house or two burn, will they collect "dollar for dollar" from the Eastern companies that Best's Reports show to have made a discreditable record in 1906?

—Table showing the business of title insurance transacted in California during the year ending December 31st, 1912:

	Premiums.	Losses.
California Pacific	\$ 77,459	\$ 2,506
City Abstract	12,309	. . . .
Los Angeles Abstract . . . . .	. . . .	. . . .
Standard Title	34,428	2,852
Title Guaranty	*372,906	. . . .
Title Ins. & G.	53,928	1,055
Title Ins. & T.	†537,229	5,560
Pacific Title	35,240	. . . .
Totals	\$1,123,501	\$11,974
*Title Guarantees	\$371,488.68	
Insurance Policies	\$1,417.50	
†Title Guarantees	\$528,207.24	
Insurance Policies	\$9,022.50	

—Sacramento.—The state grange endorsed bill for farmers mutuals ad libitum (Slater) has a show to "get through."

—The Coast Review never contained a word in favor of the American Union. We had always distrusted this venture and its management.

—The "closed shop" in San Francisco has reduced the 4,500 factories in 1904 to 1,398 in 1910, and the 45,000 workmen have been reduced to 14,000 in six years.

—Burglary.—A San Francisco detective wants burglary insurance made unlawful. The loot of a \$100,000 burglar has been awaiting the owners, but several of them, who are known to the detectives, have point blank refused to identify or take away their property. Capt. Mooney says "the trouble is that burglary insurance has already been paid on this property, and it was more than the property was worth." He thinks the insurance causes lack of care which is an incentive to the crime of burglary.

—Death of Tom Roberts. After an illness of a dropsical complaint, lasting several months, Tom R. Roberts passed into the Beyond at Tucson, A., March 1, at about age 45. He had been staying in Paso Robles, Cal., for a time, but last month his physicians warned him that his only hope of relief was in immediate removal to dryer Arizona. Mr. Roberts began insurance work in San Diego as a local agent. In 1893 he came to San Francisco to work in the office of the Transatlantic. He was later elevated to a special agency in California, and after was transferred to the Northwest. He became a local agent at Seattle and for a time was state agent for the several Stovel companies. At the time of his death Mr. Roberts was vice-president of the Seeley & Co. agency at Seattle.

—Montana.—Companies of this state may now also invest in the funds of irrigation districts.

—The Mutual Life of New York leads all companies in dividends paid policyholders in 1912, the grand total being \$15,006,280. The Equitable Life ranks second, with a total of \$13,146,762.

—The annual meeting of the Pacific Adjustment Bureau was held on March 12. General Manager Driffield presented the annual report. The directors now are Messrs. Niebling, Wyper, Johnston, Miller and Herbert Folger, the latter succeeding the late A. G. Sanderson.

—Unusual Accident.—At San Mateo, Cal., a barber was injured in an unusual way. While standing near the railway he was thrown against an electric light pole and the blow broke both arms. The rush of air by an express train literally blew him against the pole. He was moving away from the track. Had the locomotive or any part of the train struck him, death would have been instantaneous.

—San Francisco Fire Protection Very Costly. Expert Zion cites figures to show that San Francisco expenditures for fire protection are excessive, when compared to those of other cities, Baltimore, he states, with a population of 558,485, appropriated only \$1,100,544 for fire protection for the current year, and at the same rate he holds that San Francisco should have needed but \$822,400, instead of \$1,671,244. London, with a population of 4,500,000, employs 1,350 firemen, and in the same proportion San Francisco should need but 125, instead of 730. He does not think that the wooden buildings of San Francisco alter the strength of the comparison materially, since the figures show that there is less time spent in fighting fires in San Francisco than in other cities.

—Western States Life stock has fallen to 9½ bid, 25 par.

—Oregon.—The workmen's compensation bill was passed.

—The California State Life stock is quoted as 19½ bid and nothing offered. Par \$25.

—Hawaii.—A house bill provides for compulsory and uniform workmen's compensation. Public employees are not to receive any protection.

—San Francisco Broker Dies.—Henry C. Ahpel died on March 21, aged 46. He left a widow and daughter. Some time ago the deceased returned from Germany, apparently in the best of health.

—Matches and mice met merrily in the home of Frank S. Reager, Orland, Cal., just before sunrise. Then the son rose and shouted fire and all the family barely escaped in their night clothes. This was on March 14.

—Arizona.—A house bill provides that no fire company shall charge more for a risk in dry Arizona than it charges for a similar risk in wet Washington or any other state. The most comical publication in the world is the record of bills introduced in any legislature.

—Insurance companies and managers should ask their brokers for a copy of the American Surety Company's new bond for insurance companies. It has been prepared especially to meet the wants of insurers. If your broker is behind the times, send direct to the company's home office in New York for a sample copy.

—Insurance Commissioner Done of Utah has been no friend to fraudulent and law-breaking insurance companies and inter-insurers. He has made a study of insurance and has opposed the faddists who want state-rating and state insurance. Such officials make enemies of the wildcatters and the visionaries and the socialists and other hare-brained folks. These enemies are opposing his re-appointment. They want a man who will permit the looting of the people who insure.

—The Mutual Life Ins. Co. of New York leads all companies in payments to policyholders last year, the total being, in round numbers, 61 million dollars, or more than 5 million every month.

—A fire policy conditioned to become void if the hazard be increased by any means within the control of the insured, issued on a woolen mill, becomes void when the property is used exclusively for the manufacture of cotton bats; the cotton being as inflammable as gunpowder.—Progress Spinning & Knitting Mills Co. v. Southern Nat. Ins. Co., 130 Pacific Reporter 63.

—Field Changes.—Miram B. Swett, long employed in the office of the Fireman's Fund Insurance Company, has been promoted to a field position, having been appointed special agent for northern California and the San Joaquin, to succeed H. B. Tickner. Mr. Tickner goes to Portland as special agent for Oregon and southeastern Idaho for the Fireman's Fund.

—Several non-board companies some time ago, in anticipation of reduced board rates in San Francisco, wrote a lot of business at rates below those of board companies but attached a non-cancellation clause. More recently, at Long Beach, Cal., board companies in competition with non-board companies have been attaching a non-cancellation clause to policies. The California insurance department has ruled that under the standard form of policy law such non-cancellation clause is null and void. Years ago, when the New York standard policy was in general use on this Coast, during a rate war a number of companies issued policies with a non-cancellation clause. Whether the matter was ever tested in court we do not recall.

—Prosperity kills managers, brokers and locals; but never specials and editors.

—Leaves for the East.—Floyd F. De Groat, for the past five years the successful California agent for the Mutual Benefit, will go to Boston for the company. Geo. R. Stiles, formerly of Pickering & Stiles, succeeds him.

—The Pacific Surety has discontinued writing burglary insurance, which the company has found unprofitable.

—The American Union Fire was a sky rocket with a heavy Stone attached. Whish-boom-ah! look out for the stick!

—Fires caused by cyclones and fire losses increased by floods are something new and not now included in insurance rates.

—We continue printing extracts from the papers read at the recent annual meeting of the Fire Underwriters' Association of the Pacific, but not too much at one time for good literary digestion.

—Denver.—Labor unions people have organized a health and accident company here, with \$200,000 capital. R. E. Reid is manager. Will he be a broken reed, like other Coast fraternal accident men of the same name?

—Mother Nature is punishing men for murdering her children the forests, by bringing floods into their streets and houses. Forests in the high hills and mountains hold back the waters and keep the rivers always flowing at about the same depth.

—Personal.—President Dutton of the Fireman's Fund, accompanied by Mrs. Dutton, is in New Orleans, attending the wedding of their daughter May to Douglas Waterman, a mining engineer and manager of San Salvador.

Col. C. Mason Kinne and Mrs. Kinne have returned from Europe, after an absence of nearly a year.

—The Proceedings of the F. U. A. P. 1913 book is just out. It is printed from handset movable type and contains diagrams and portraits. The discussions are scarcely less interesting than the papers. Old-timers will especially appreciate the portraits of the past presidents, as on the screen at the banquet. Pictures of the adjusters at the Virginia City, Seattle and Spokane conflagrations are also good. Copies of the Proceedings can be had of Secretary Meade or Librarian Moore. There is no book of the kind quite so good as this. And the cost is only 75 cts.

GENERAL

The New York supreme court has ruled that the owner of a collided automobile is liable for the usable value during repairs. He also recovered from the defendant the damages to his automobile.

Are't you sorry you never left the farm or the ranch? No? Surely you remember your country weekly and how you were interested in such items as these: "There will be a pie supper at the schoolhouse Friday evening." "Vina Vinch Sundayed with the home folks." "There was a skating party on Mr. Moon's pond Wednesday night and everybody had a dandy time." "For baby's croup and grandma's lameness take Dr. Flimflam's electric sodaoil." "For 3 or 4 years my kidneys and bladder were in bad shape until I took Dr. Kook's kidney pink pills."

Harry Roff has returned from the Vegetarians' Retreat a well man. He ran up a hill every day and never lost his breath until his landlord handed him his bill. The vegetarian bill of fare of nuts and noodles and beans and butter and fruits and farinaceous foods was handed him twice a day underscored with the dishes he was permitted to eat. And daily he grew thinner and stronger and lighter, and returned to San Francisco feeling ten years younger. He tells of a stranger who was persuaded to visit the hotel of these good religious people. He asked the waitress for beefsteak for breakfast. No, he couldn't have that. At that hotel they didn't believe in meat. Then a cup of coffee, as he was not hungry. No, nor that, as they didn't believe in coffee. The stranger rose and asked the hotel clerk for the cigar stand. Oh, my, never! They didn't believe in tobacco, though it be a vege-

table. Then the stranger called for his bill and asked the clerk, What do you believe in in this hotel? We refer the interested reader to Mr. Roff for the answer and the subsequent remarks.

The figures of the Crum & Foster companies are rather deceptive, as regards the Williamsburg City and Nassau & Dutchess, for each presents the totals of two companies, recently combined. To advertise their "gains," therefore, can hardly be considered honest. The U. S. Fire is not going down hill, at least—not now, and managed to add \$2,000 to its surplus, by some good luck. The North River has a rather large proportion of losses unpaid, but is showing some gains. However, we cannot find sufficient reasons to recommend these companies as at present conducted. They depend chiefly on New York business and are "disturbers" elsewhere.

Reading matter in our advertising sections.

Nearly 58 Per Cent Loss Ratio

Figures in hand as this form goes to press indicates for 1912 an American fire loss ratio of 58 percent of the premiums.

Northern Life Annual Meeting

The annual meeting of this well established Seattle company was held on February 18. The following officers were elected:

H. C. Henry president, E. W. Andrews first vice president, T. M. Morgan second vice president and actuary, D. B. Morgan general manager, Arthur P. Johnson secretary, James B. Eagleson medical director, and W. J. Brown cashier.

The management reported a prosperous year, \$141,000 being added to the assets, 117,000 to the reserves and \$28,500 to the net surplus. The stockholders content themselves with modest dividends.

Washington, D. C.—The investigating committee asked for Best bread and were given a Stone.

GENERAL

The Bradstreet price index of 96 articles for January 1913 is \$9.5050, the largest in fifteen years. January 1898 it was only \$6.5784. This gain of 50 percent bears some relation to increased wages and taxes and shorter hours of labor. Tariff and trusts appear to have had little or nothing to do with the increase in prices. The farmer receives a little more for his wheat, but no more for his meat. Hogs on foot bring the same price per pound now as thirty years ago, but the retail price has increased at least 50 percent. But insurance of all kinds costs the same now as formerly. For a time after the fire in San Francisco the premium rate was advanced all over the country and then former rates, based on the former average experience, were restored. Only in San Francisco are the rates higher than formerly, pending the com-

pletion of the auxiliary system and the elimination of the "temporary" wooden buildings.

Dr. Wiley says in time the only disease will be old age. There will then be no life insurance, except the accident policy.

Los Angeles recently had an extraordinary and torrential rainfall of more than 5 inches in one day. During the two days of the storm the rainfall was 7 inches and at Pasadena, eight miles away, 8.54 inches.

Atascadero, Cal., is to have a model city for women, on the Henry 22,000 acres ranch, to be built under the auspices of E. C. Lewis, publisher of the Woman's National Weekly.

Fire: Gonzales, Cal., destroyed Feb. 23. Dynamite explosions did not help any. Cause alleged, crost electric wires.

Are You Looking for Permanent Success?

You will find it by selling insurance for The Pacific Mutual Life Insurance Company of California because its liberal policies, Life and Accident, are what the people want—*provided* you will

SEE THE PEOPLE.

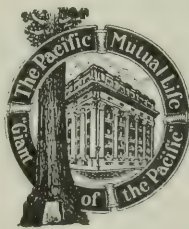
Life Department

J. N. RUSSELL, Jr.,
 Manager,
 Pacific Mutual Building,
 Los Angeles, Cal.

or

KILGARIF & BEAVER
 Managers,

Shreve Building, San Francisco, Cal.



Organized 1868

Accident Department

The McCUISION CO.
 General Agents,
 Story Building,
 Los Angeles, Cal.

or

F. A. STEARNS
 Manager,

Shreve Building, San Francisco, Cal.

LIFE INSURANCE

Manhattan Life's new policies are out, and will prove ready sellers.

The Detroit Life has created surplus in the often fashion by cutting its \$210,000 capital right in two. But it might be better for the stockholders to show their faith by putting up a little extra money too.

The Western L. & A. (assessment) and German - American Indemnity (stock) are joining under the former name. Neither has any good will to dispose of.

Of all inexcusable things, nepotism is least so in a mutual life company.

FIRE INSURANCE

The loss of life at Sacramento by the burning of a shell apartment house was quickly followed by a greater loss of life at Omaha by the burning of a hotel. In both affairs there was no watcher nor adequate fire escapes. The local and the state law-makers are responsible. If they would stop baiting corporations for awhile they could do real service to the people.

The Rolph administration in San Francisco has broken through the charter and agreed that battalion chiefs of the fire department need not pass a physical examination. This bad break enables the mayor's fire commission to appoint unfit political favorites to office. Reformers are performers too.

The Cotton States Fire of Atlanta is in the hands of a receiver.

The Southern States Fire of Alabama expects to continue in business.

United States Manager Francis O. Affeld retires next week after completing his fortieth year with the company.

The two Houston, Tex., companies have consolidated.

The outlook for the plunging, cavorting Nassau & Dutchess doesn't seem cheerful. Losses for the past year were 65 percent of the shaved premiums on carefully selected business.

United States Manager Frank Lock, of the Atlas, has been elected president of the New York Fire Insurance Exchange.

The Nor Deutsche will probably enter British Columbia.

Boulder, Colo.—The local agents here have refused to write the business of the branch of the American T. & T. Co., unless paid full commission. A Chicago brokerage firm handles the company's business and offers to pay only 10 percent brokerage.

LIABILITY

Wisconsin business is declared to be unprofitable and the companies not loyal to each other. Published figures of a number of companies show 72 percent losses, not noting increase in unearned premiums. The new law wiping out the usual legal defenses is charged with responsibility for increased losses.

MISCELLANEOUS

The real giant never cares to advertise itself as a giant.

Now what is Our John going to do?

When a politician rails at corporations, put him down as a suttler—and then sit on him.

These fellows live only by "sensations." The plain truth would blanket them into deserved obscurity.

If such fellows are not suppressed and sent to the rear with their fellow suttlers, our country will be Mexicanized.

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1912) . . . \$9,558,099.00

NET SURPLUS, " . . . 3,738,799.00

E. F. BEDDALL
President

N. S. BARTOW
Secretary

GEO. W. BURCHELL
Vice-President

Gross Assets, ^{JAN. 1} 1912 \$99,466,277

Exclusively Fire Assets 44,632,557

Net Surplus, - 16,652,238

Losses paid, 235,136,672


Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager

LIVERPOOL, ENGLAND



DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta, San Francisco, Montreal.  Agencies in all principal Cities and Towns

ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING, SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

FIRE

The City of New York will increase its capital.

D. W. Canfield takes the special agency for the National Union Fire for the Rocky Mountain field.

The American Druggists doesn't seem to be doing much. Earned loss ratio leaped from 23 to 50, and the net surplus fell off. Assets made only a slight gain, which was less than in '11. The patent medicine proprietors of this company are doubtless not so enthusiastic over the prospect of dividends as formerly. Wait till they get "what is coming to them."

Fire: At Seattle Feb. 28 a sawmill in hands of receiver.

Garage fires seem decreasing in the press reports.

SURETY

The National Surety has entered Argentine.

GENERAL

The Michigan statutes provide that deposits must be for the sole benefit of depositors and no other creditors. The use of the word "and creditors" in deeds of trust will not be permitted hereafter. Laws of other states provide that deposits shall be for "policyholders and creditors." Suits begun in Michigan against twenty foreign companies will result in changes in the deeds of trust on file in other states.

Rather a good story that, of the cook who told her mistress that she was about to leave, because she was to be married. Wishing the cook joy, the mistress asked, Who is the happy man? The policeman on this beat. What is his name? "Oh," answered the beaming cook, "I don't know his name yet, but his number is 518."

A life men's association is being organized in Walla Walla, Wash.

FIRE & TORNADO INSURANCE

American of Newark

Chartered in 1846

Capital Stock	- -	\$1,000,000.00
Liabilities	- -	5,431,072.05
Special Reserve Fund		300,000.00
Net Surplus	- -	<u>3,135,102.52</u>
Total Assets	-	\$9,866,714.57

P. L. Hoadley, Pres't.

C. W. Bailey, Sec'y.

GORDON & HOADLEY, Managers
Pacific Department
San Francisco, California

San Francisco Life Insurance Co.

Balance Sheet, 1st January, 1913

Assets		Liabilities	
First Mortgage Loans	\$312,350.00	Policy Reserves	\$137,910.00
(Within 60% of the appraised value)		(Approved by Insurance Dept., State of California)	
Bonds (Market Value)	215,762.47	All Other Liabilities	5,436.93
Cash in Banks and Office	21,285.35	(Including \$3,295.19 State Taxes)	
Loans to Policyholders	3,110.33	Payments, Applications	
Accrued Interest	9,259.40	Pending	1,345.06
Net Uncollected and Deferred		Capital Stock	250,000.00
Premiums	10,844.29	Surplus, Unassigned	178,434.80
Premium Notes within Reserve	514.95	Total	\$573,126.79
Admitted Assets	\$573,126.79		

NOTE—The San Francisco Life Insurance Company does not take credit for such assets as Furniture, Fixtures and Agents' debit balances.

We have audited the accounts of the San Francisco Life Insurance Company for the year ending December 31, 1912, and certify that in our opinion the foregoing statement shows the true financial condition of the Company at December 31, 1912, after eliminating certain assets which are not admitted by the Insurance Department of the State of California.

San Francisco, February 10, 1913.

PRICE, WATERHOUSE & CO.

GAINS DURING 1912

ITEMS	JANUARY 1, 1912	INCREASE DURING 1912	JANUARY 1, 1913	PER CENT INCREASE
Insurance in Force Paid For	\$3,107,310.00	\$2,631,806.00	\$5,739,116.00	84.6
Admitted Assets	527,557.58	45,569.21	573,126.79	8.6
Premium Income Received	69,142.10	147,578.30	216,720.40	213.4
Interest Yield Mean Invested Assets	5.90 pct.	.40 pct.	6.30 pct.	7.0

MORTALITY EXPERIENCE

	EXPECTED	ACTUAL	ACTUAL TO EXPECTED
1911	\$10,140	\$2,500	23 per cent
1912	23,171	7,300	31 per cent

The care exercised in selecting risks is exhibited by the low mortality rate for two years.

THE HOME INSURANCE COMPANY NEW YORK

(Fire - Automobile - Windstorm - Tourists' Baggage.)

ELBRIDGE G. SNOW, President

Cash Assets, January, 1913,	-	-	\$33,406,434 60
Reserve as a Conflagration Surplus,	-	-	*1,800,000 00
Cash Capital,	-	-	*3,000,000 00
All Other Liabilities,	-	-	14,254,679 32
Net Surplus,	-	-	*14,351,755 28

Its Surplus as Regards Policyholders, *\$19,151,755 28

is the largest protecting American Policyholders
exclusively : : : : :

PROMPT }
EQUITABLE } ADJUSTMENTS
COURTEOUS }

FOLLOWED BY

IMMEDIATE }
CASH } PAYMENTS

OVER HALF A MILLION SATISFIED CLAIMANTS
IN THE PAST 60 YEARS.

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

ANNUAL STATEMENT, DECEMBER 31, 1912

Assets	\$11,148,389 89
Capital and Surplus	3,281,284 04
Losses Paid to Dec. 31, 1912	40,596,818 01

This company issues contracts as follows :

Fidelity Bonds; Surety Bonds; Burglary, Larceny, and Theft; Plate Glass;
 Steam - Boiler; Fly - Wheel; Employers', Public, Teams, Automobile,
 Physicians', Druggists', Elevator, and General Liability;
 Accident; Health; Disability; Workmen's Collective;
 Workmen's Compensation

Pacific Coast Department: { California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange
 San Francisco. Washington and Oregon—SEELEY & CO., 111 S. 10th
 St., Tacoma; Coleman Bldg. Seattle; Board of Trade Bldg. Portland.

GERMANIA

FIRE INSURANCE COMPANY,

NEW YORK.

ORGANIZED 1859.

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

HEAD OFFICE

Cor. William and Cedar Sts.

THE Standard Accident

Insurance Company

Of Detroit, Mich.

LEM W. BOWEN, President J. S. HEATON, Secy.

Cash Capital,	\$ 500,000
Gross Assets, -	4,377,439
Claims Paid, -	16,500,000

Writes Accident and Sickness Insurance. Accident Policies Provide for—Unlimited Indemnity, Beneficiary Benefits, Accumulations, Optional Benefits, Hospital Indemnity, Combination Features, Surgeons' Fees Where no Claim for Disability is Made, Special Benefits for Sunstroke, Freezing, Etc.

Accident and Sickness Insurance for Women.
Contracts Practically Without Conditions.

CLARENCE F. BRIGGS,

SUPT. PACIFIC COAST DEPARTMENT.

California, Oregon, Washington, Idaho, Nevada, Arizona, Utah, and the Hawaiian Islands.

Mills Bldg., San Francisco

H. H. HAIGHT, District Agent.

Contracts Unexcelled. Agents Everywhere.

Will the American people never realize that the sensational charges brought by professional politicians against somebody or something or anybody or anything are merely brought to keep these can't-make-a-living-other-wise fellows in a job? They must keep

in the limelight or perish in the dark. Hence, these charges against insurance companies! Will the American people never "get wise" to this fact?

Will they never learn that a politician and a yellow journalist are twin brothers?

FIRE**NIAGARA FIRE Insurance Company**

Assets, - \$6,736,192.25 Surplus to Policyholders, - \$3,475,199.18

DETROIT FIRE & MARINE Insurance Company

Assets, - \$2,139,401.04 Surplus to Policyholders, - \$1,552,035.83

NIAGARA - DETROIT UNDERWRITERS

Assets, - \$10,343,079.00 Surplus to Policyholders, - \$5,789,723.62

EDWIN PARRISH, Manager

Pacific Coast Department 334 Pine St., - San Francisco

AUTOMOBILE

MEN WHO CAN DO THE WORK

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

UNION MUTUAL LIFE Insurance Company

PORTLAND, MAINE.

FRED E. RICHARDS, President

Address ALBERT E. AWDE, Supt.,
396 Congress St., Portland, Maine.

GEORGE E. HUNT, Manager
Shreve Bldg., San Francisco

T. H. McAllis, Manager, Sherlock Bldg.,
Portland, Ore.

P. B. Duren, Manager, Boston Block, Seattle,
Wash.

The Western States Agency Co., Manager,
225 Foster Building, Denver, Col.

J. E. Evans, Manager, Vancouver, B. C.

LIFE

The Cosmopolitan Life of Atlanta, Ga., has been sold at auction for \$354,000, to the re-organization committee representing a majority of the stock-

National Union Fire Insurance Company

of Pittsburg, Pa.

Cash Capital.	\$1,000,000.00
Surplus to Policyholders.	1,545,227.00
Assets.	4,136,638.00

**METROPOLITAN DEPARTMENT
SAN FRANCISCO**

604 Merchants Exchange Building

DIXWELL DAVENPORT.

E. C. DIETZ.

MANAGER

ASS'T M. ANAGER

FIELD REPRESENTATIVES:

R. R. Roper, NORTHERN CALIFORNIA

604 Merchants Exchange Bldg, San Francisco

Alexander MacDougald, SOUTHERN CALIFORNIA

P. O. Box 868, Los Angeles, Cal.

holders. A new company is to be organized, with a Prudential man in charge, and the transferred \$2,000,000 of insurance.

The Washington National Life of Spokane now has A. L. Porter as president, and Boyde C. Barrington as secretary and general manager.

Figures

This year's figures are coming out slowly. A year ago twice as many company figures had been made public.

HOME LIFE INSURANCE COMPANY OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—*"The Com'cl & Fin'cl Chron."* 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,

256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department, 123 William St., New York, N. Y.

Liability

Workmen's Collective

Workmen's Compensation

Burglary

Personal Accident and Health

Industrial Accident and Health

Agents Wanted For Unoccupied Territory

Apply to New York office or to

WALTER A. CHOWEN,

Pacific Coast General Agent

340 Sansome Street

San Francisco

AGENTS WANTED

To Solicit Subscriptions for The Coast Review, now in its 42d year. Good commissions. Sample Copies sent in advance. Will pay well any active man. Special offerings. Write Publisher for further particulars.

GENERAL

Rather a good thought this—a jewel in the Rough Notes: Most young men starting out on life's journey want to go by leaps and bounds and spell the word success all in capitals right at the beginning, never realizing that the men who are pointed out by others as having made good have all begun at the bottom and gradually worked themselves up through many disappointments and failures until they have finally reached the top. It is the spirit in which we take our daily knocks as well as the daily encouragements that will tell as to our ability to stand real prosperity when that due reward, for which we have long striven and which we have earned, comes to us.

The new state insurance commissioner always sweeps clean.

The Press

The Insurance Law Journal is now \$1.00 the copy and \$10.00 the year, and well worth it.

The Once-a-Year Club of New York has its annual meat soon to which even the office cat is invited. Anybody who talks shop will be sent to Mexico, care of Diaz the Younger, with orders to be shot according to ley del feuga.

Our Los Angeles contemporary shows ignorance when it defends the Continental Bldg. and Loan Assn.

SOME OF THE ADVANTAGES ENJOYED BY EQUITABLE REPRESENTATIVES

The backing of one of the largest and strongest financial institutions in the world.

A Participating Company.

A Prompt Paying Company. Of the 5,089 domestic death claims paid by the Equitable during 1911, 5,035 or nearly 99 per cent were paid within one day after receipt of "Proofs of Death."

A Company whose policies are standard contracts, drawn to conform to the Insurance laws of New York and other States.

A Company issuing every desirable form of insurance including Corporation Insurance, Income Insurance, Employee Insurance, Home Purchase Insurance, Joint Life Insurance and a large variety of Annuities.

A Company large and Strong enough to insure applicants for large amounts **under a single policy.**

A Company whose policyholders include the world's Captains of Industry whose identification with the Equitable is in itself an endorsement.

A Company granting insurance to sub-standard physical risks—bringing protection within the reach of applicants who might otherwise be deprived of it and saving business for the agent.

A Company which insures women at the same premium rate as men.

A Company whose canvassing documents are comprehensive, adequate and attractive.

A Company engaged in a broad "conservation of life," movement—aiming to lengthen the lives of its policyholders as well as insuring them.

A company that has withstood every conceivable test—wars, financial panics, epidemics, and lastly, a great fire

The Society has openings in practically every State for energetic agents of character and ability.

Address **H. L. ROSENFELD, Assistant to the President**

165 Broadway **The Equitable Life Assurance Society of the United States** New York

REPUBLIC UNDERWRITERS

POLICIES UNDERWRITTEN BY THE

AUSTIN FIRE INS. CO. and the COMMONWEALTH FIRE INS. CO.
of DALLAS, TEXAS

TOTAL ASSETS OVER \$1,174,970.99

SURPLUS TO POLICYHOLDERS OVER 738,629.96

LOCAL AGENTS WANTED

243 SANSOME STREET
SAN FRANCISCO, CAL.

ANDERSON & EDWARDS, Managers

**Why Arent You
ADVERTISING
in the Coast Review**

**DID WE REJECT
YOUR UNRELIABLE
ANNOUNCEMENT**

Probably Losing \$75 a Day

The municipal railway in San Francisco cost a lot of money, but it's

socialistic friends assert it is making \$35 a day, after paying 4 percent interest on the bonds. Nothing is allowed for repairs and repayment of the principal. Otherwise the showing would be a losing of \$75 to \$100 a day by the city.

A writer in a New York weekly gravely asserts that from two to three-fourths of all fires in this country are of incendiary origin. If this were true, fire insurance should be prohibited.

The Reliance has found its Washington business did not justify maintaining an office in Seattle.

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

**POLICY
PROVIDING
PERFECT
ROTECTION**

HOME OFFICE
SEATTLE
U. S. A.

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.

\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over **\$500,000.00**

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets \$2,464,562.05

Liabilities in United States 1,446,243.42

Surplus **\$1,018,318.63**

PACIFIC COAST DEPARTMENT

129 LEIDESDORFF STREET - - - SAN FRANCISCO

W. L. W. MILLER, Manager.

Total Assets Represented over \$20,000,000

Svea

Insurance Company
of Gothenburg

Agricultural

Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire

Insurance Company
of New York

Hamilton Fire

Insurance Company
of New York

Globe Underwriters

of New York

EDWARD BROWN & SONS

General Agents Pacific Coast Department

202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT:

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

COAST REVIEW POSTERETTE

Average

Fire Loss Per Inhabitant

Per Annum

In Europe	-	-	-	\$0.50
In United States	-	-	-	3.00

Which Explains Why

Insurance Rates Are High

In the United States of America

Where

The Fire Underwriting Profit

Is Only

3 Cents Out of 100 Cents Premiums

MARINE

Four companies have been organized in London to insure British ships and cargoes against war risks. These companies are limited associations.

Marine.—John Metcalf, Lloyds Register surveyor in San Francisco for many years, died Mar. 2. He was a cousin of Bruce Ismay of the Titanic and the White Star line.

Marine.—Great Lakes vessels owners have decided, through their Protective Association, to increase the insurance carried on hulls from 5 to 25 percent.

Marine.—The Great Eastern, built in 1868, was a ship of 22,500 tons displacement, but was not a commercial success because in those days marine engines were of insufficient power. This great ship was propelled by paddle-wheels and by a propeller. Her only useful purpose was the laying of two trans-Atlantic cables, in 1865 and 1866. A few years later the Great Eastern was broken up and sold as old junk.

FIRE

State Fire Marshal Zuber of Ohio says that adjusters adjust many losses too fast. He cites one case where, while the state marshal was investigating the loss (full amount of the policy), \$1800 was paid to the insured a few days after the fire, yet the state fire marshal gathered sufficient evidence to indict the insured, who confessed and pleaded guilty and was sent to the penitentiary. In another case the company's adjuster recommended the payment of the claim and the company paid \$1350 on the following day. The fire marshal's investigation showed that nearly all the household goods had been moved before the fire, and only two iron beds were burned. This loss was adjusted by local agents. The company

was duly authorized but had no state or special agent.

Kentucky shows an average loss ratio on dwellings of 65 percent during the past year. Taxes are also 7 percent of the premiums.

Wisconsin proposes to make fire insurance rates and will take away from the board and local agents all power to make rates. It is proposed also to have a state inspection of all buildings, except dwellings, every six months, and every three months within fire limits in cities. All adjusters must be licensed and must report particulars of all fires adjusted by them. Local agents must submit to a state civil service examination. There is to be only one agent in a limited territory and commissions must not exceed 20 percent.

Preston T. Kelsey, formerly assistant western manager, has been appointed western manager of the Sun of London, succeeding H. N. Kelsey, who becomes United States manager of Hamburg Bremen.

The Republic Underwriters agency is now writing in British Columbia.

Utah's new fire company is to be the Guardian.

LIFE

The several insurance commissioners have agreed that the reinsurance of the legal reserve policyholders of the Hartford Life by the Missouri Life, stock owned by the same people, is best for somebody.

Boise, Id.—J. Harry Chambers has been appointed agency manager here for the Continental L. & Inv. Co.

An Indianapolis stipulated premium company, The Bankers National, has reinsured.

FIRE PROTECTION

Grass Valley, Cal., now with only one water reservoir, plans a second reservoir for fire protection.

Woodland, Yolo county, Cal., proposes to bond itself and improve its fire protection, buy a chemical engine, and secure a higher water pressure; and then ask for 15 per cent lower insurance rates.

INSURANCE COMMISSIONER

Impeachment of the commissioner of Oklahoma is recommended by a com-

mittee of that state. He is charged with accepting money for a license.

Commissioner Clayton of Colorado says he was buncoed by the civil service commission, which gave certain candidates advance copies of the questions to be answered.

GENERAL

Imperial county, Cal., cotton averages nearly a bale to the acre.

New automobile registrations in California average about 100 a day.

GOOD AGENTS WANTED

THE

West Coast Life Insurance Co.

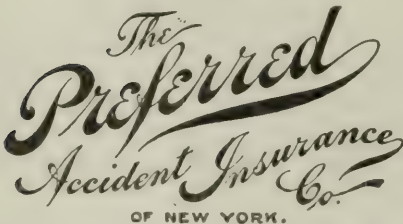
Home Office: West Coast Life Building, Northwest Corner Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, *President*
C. O. G. MILLER, *Vice-President*
JULIAN SONNTAG, *second Vice-President*
WILLIAM C. HAMMOND, *Secretary*

Health and Accident Insurance



KIMBALL C. ATWOOD, *President*
WILFRID C. POTTER, *Secretary*

Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, *Manager Pacific Coast Dept.*

456-457-458 **Mills Building, San Francisco**

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912 \$280,438,555.87

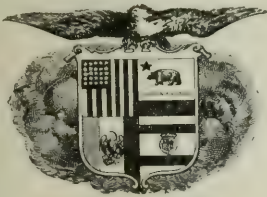
Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.

President, **JOHN M. TAYLOR**, Hartford, Ct.



Los Angeles Fire Insurance Company

Los Angeles, Cal.

Cash Capital, (Fully Paid), - - \$200,000.00

*Secure An Agency of This Home Company.
A Good Agency Company.*

San Francisco Office, 334 California Street

**CALIFORNIA NATIONAL LIFE
Insurance Company**

Safe .. Sound .. Conservative

HOME OFFICE

Timken Building

SAN DIEGO, CALIF.

THE THIRD CLASS LOCAL AGENT

WHAT would you think of a local agent who never talked about insurance? about its cost, income and profits, its commissions, taxes and expenses? He wouldn't know much about the business, would he?

Now an insurance journal is but authoritative talk about insurance, backed by libel liability.

Any local agent who doesn't read about insurance in an insurance journal is a Third Class Local Agent.

He is not up to date in news, in principles, in practices, in court decisions, in knowledge of the condition and prospects of the insurers.

He is like a cheap skate of a lawyer who never reads a court decision, or a bum doctor who never reads a medical journal.

This 3rd rate local agent saves a cent a day but he may cost his patron 5,000 when a loss is settled—and thereby lose friendship and \$500 commissions.

American Central INSURANCE COMPANY of St. Louis Established 1853
 Assets, \$5,550,103 Surplus to Policyholders, \$2,858,229 Losses Paid, \$24,845,140

St. Paul F. & M. INSURANCE COMPANY of St. Paul, Minn. Established 1865
 Assets, \$8,032,864 Surplus to Policyholders, \$2,849,402 Losses Paid, \$40,714,821

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS of St. Louis **Minnesota** UNDERWRITERS of St. Paul
 Assets, \$5,550,103 Assets, \$8,032,864
 Surplus to Policyholders, 2,858,229 Surplus to Policyholders, 2,849,402

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817 Of PHILADELPHIA Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital, -	\$ 750,000.00	Cash Assets, -	\$8,989,219.63
Net Surplus, -	2,505,857.89	Policyholders Surplus, -	3,255,857.89

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets, -	\$25,942,992.00	Surplus to Policyholders, -	\$11,559,758.00
-----------------	-----------------	-----------------------------	-----------------

Net Losses Paid in San Francisco in 1906, - - \$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada

Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles

315 California Street, - - - San Francisco

FIRE

No fewer than 206 garages have been investigated in New York. Back fire of carburetors caused 57 of these fires or 43 percent. The use of gasoline for cleaning caused 44 or 33 percent of the fires.

The Hartford Fire will be authorized to increase its capital stock up to ten million dollars.

The Scottish Union will buy the City of Glasgow Life.

The firemen of Portland, Me., are organizing a health and accident insurance society of their own. This is one way to get wise.

The Michigan insurance commissioner has ruled that under the anti-rebate law no credit can be extended on fire insurance policies. Cash must be paid before the policy is in effect or notes with interest be accepted.

A company with an Arizona charter is organizing in Indiana.

The Phoenix Assurance increased its dividend this year.
 In the Utah legislature is a resolution

demanding the investigation of the state insurance department. The legislative dogs are barking up the wrong tree.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES. \$2,529,585.00

Office: **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

Statements showing the standing of the

CALEDONIAN	INSURANCE COMPANY	Of Edinburgh	Organized 1805
The oldest Scottish Fire Office			
Capital	\$5,078,365 32	Assets	\$19,557,563 20
Capital, paid up	537,500 00	Net Surplus	2,230,403 19

CALEDONIAN-AMERICAN	INSURANCE COMPANY	Of New York
Capital . . . \$200,000 00	Cash Assets . . . \$250,264 00	Surplus to Policyholders . . . \$231,505 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,403 19
------------------	-----------------	-----------------------	----------------

Pacific Department Office: 430 California Street, San Francisco.

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

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Pacific Department Office: 430 California Street, San Francisco.

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

GENERAL

The Ætna is approaching its centennial.

Equador and New Zealand were rocked by earthquakes, about the same time.

The Kansas state life insurance bill was killed. We hope the wildcat hasn't nine lives.

A new ruling makes the Michigan companies subject to a retaliating 3 percent premium tax.

In New York the license of a foreign company may now be revoked at the pleasure of the state insurance superintendent, subject to review, by the courts. This law will some day produce interesting news notes.

Colorado's civil service commission has named Prof. Saul Eppstein state insurance commissioner, he having answered all questions most satisfactorily. Deputy Starkey ranked second. Under the new law, Commissioner Eppstein will hold office until removed for cause.

A hydroæroplane has recently been rising and dipping over the bay in the vicinity of Steiner st., San Francisco. If you feel flighty you can ride with the flyer for a small sum. This is to be one of the attractions of the 1915 fair. How would you class this risk? Is it marine or inland marine or casualty or aerial?

Now that we have a new president at the Nation's capital, let us all, regardless of party, applaud and strengthen him in all good work. Though a minority president as to the popular vote, he was elected by the largest electoral college vote and majority cast for any president. He is the first college president ever elected president of the U. S. A.

The labor trust is Mexicanizing New York city and the mountains of West Virginia this month.

Will wonders never cease! Tennessee has a new insurance commissioner who has actually had insurance experience. His appointment breaks a time-honored rule.

An army officer from the Philippines returned to San Francisco with a dog infected with rabies, a year or two ago. This dog spread the infection and it became necessary to pass muzzling laws. Imaginative people and sensational reporters have since infected every snapping dog and bitten person; and equally ignorant and unscrupulous doctors have added to the alarming falsehoods. The disease rabies is among the rarest of diseases, and its true bacillus has never been discovered. The so-called negri bodies found in the brains of afflicted dogs have never been found in their saliva and are not themselves the cause of rabies. The disease called "hydrophobia" exists only in the imagination, and we hold the whole tribe of doctors in contempt because they have not in a public way protested against this foolish "popular" error. Rabies is so rare a disease that there is no authentic instance of any pound man (dogcatcher) contracting it. Arctic regions, rather than tropical, seem the natural habitat of the bacillus, and its natural "home" is probably the body of some wild animal of the skunk or similar family. An enterprising reporter, however, if gifted with imagination, can find evidence of the bacilli in every bitten thing. In Kansas, some years ago, a reporter "infected" a woman with "hydrophobia" because she ate gooseberries from a bush beneath which a "mad dog" had been buried.

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
Occidental Life Insurance Co.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.

The New York Underwriters Agency

Cash Assets January 1, 1913

\$26,492,318.21

Net Surplus January 1, 1913

\$8,513,692.22

Surplus to Policyholders Jan. 1, 1913

\$10,518,692.22

Losses Paid, Over

\$158,607,806.03

H. R. MANN, Manager

Pacific Coast Department: 339-341 Sansome St., San Francisco

F. M. BRANCH, Superintendent of Agencies

SPECIAL AGENTS AND ADJUSTERS:

V. H. QUITZOW,	-	-	SAN FRANCISCO, CAL.	A. E. BAILEY,	-	-	PORTLAND, OREGON.
H. HARRY SMITH,	-	-	LOS ANGELES, CAL.	A. C. ANDERSON,	-	-	SAN FRANCISCO, CAL.
H. B. HAGEN,	-	-	-	-	-	-	SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO. OF TORONTO (INCORPORATED 1833)

United States Assets	\$1,746,624.71
Liabilities in United States	1,045,080.89
Surplus	\$701,543.82

PACIFIC COAST DEPARTMENT
129 Leidesdorff Street, - San Francisco
W. L. W. MILLER, Manager

The Washington, D. C., companies are suing Congressman Redfield, for \$250,000 damages. Two Washington business men are also each sued for \$250,000. Conspiracy to defame is

charged. Redfield is a member of President Wilson's Cabinet.

Los Angeles, San Diego, Fresno and Pasadena report large February bank clearings gains.

ONE HUNDRED YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH **\$9,139,794.00**
(which are but a small part of total fire assets of the Co.)

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

JOHN McC. ANDERSON, Resident Secretary, Local Dept.

234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON OREGON, MONTANA.

P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH WYOMING.

CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA, and ARIZONA.

G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, AN FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$—— in premiums." "My business is chiefly ——." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824,

North American Branch:

Hartford, Conn.

JAMES H. BREWSTER

MANAGER.

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash., Oregon, Washington, British Columbia.

PAUL B. SOMMERS, State Agent,
H. C. EDMUNDSON, Special Agent,
706 Gas and Electric Bldg., Denver, Colo.,
Colorado, Wyoming, New Mexico, Utah,
Idaho, Montana.

H. W. FORES, San Francisco, Cal.,
General Agent, California, Nevada, Arizona.

SAN FRANCISCO OFFICE:

409 California Street

The Northern Assurance Company Limited

OF LONDON

Established 1836

Accumulated Funds, **\$39,436,873.00**
Invested in the United States, **5,303,005.00**

FRED C. H. ROBINS, Manager Metropolitan District
330 California Street, - - - - - San Francisco
(For San Francisco and Bay Counties)

PACIFIC COAST DEPARTMENT:

CHICAGO, ILLINOIS,
G. H. LERMIT, Manager
J. C. CORBET, Ass't Manager

PACIFIC COAST SPECIAL AGENTS:

D. R. ATKINSON, Portland, Or.
LOWREY C. HOLLOWAY, San Francisco, Cal.
GEO. F. GUERRAZ, Seattle, Wash.
G. MUELLER, Los Angeles, Cal.
JNO. P. BREEDEN, Helena, Mont.

Pacific Surety Company

C. H. CRAWFORD,
PRESIDENT
 Established - 1885

BONDS
ACCIDENT
PLATE GLASS
Employers Liability
INSURANCE

Home Office
FIRST NATIONAL BANK BUILDING
San Francisco

The London Assurance Corporation

OF LONDON

Cash Assets, \$23,044,775.00

The London Underwriters

SPECIAL AGENTS—C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
 T. S. HEATH, Denver; J. E. JOHNSEN, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco.

A. W. THORNTON, Manager

J. M. MENDELL, Assistant Manager

G. E. GOGGIN, City Manager

WM. HACKETT, Supt. of Agents

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

Alfred M. Best, publisher, has made an affidavit, in which he says President Stone of the American Union appointed Ide & Sewall general agents of the New Zealand for all New England; that Stone afterward said he was negotiat-

ing with the New Zealand for a general agency.

Georgia had two large fires in February, one for \$1,000,000 and one for \$900,000.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

210 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	\$ 250,000 00
Cash Assets (Gold)	2,096,766 26
Net Surplus over Capital (Gold)	1,357,229 46
On deposit in the United States, (registered U. S. bonds)	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents

Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco

[Babcock Building]

PHOENIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building
(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employes. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.

Royal Insurance Building

FIRE

Yokohama, Japan.—The second great fire this month occurred on March 7. Silk factories and businesseries went

up with \$5,000,000 values. There was considerable insurance in local companies, some of which may not be paid dollar for dollar.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY
Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General manager

Union Assurance Societies

1714

OF LONDON

1907

Cash Assets in U. S. A.

\$1,224,580.16

Surplus in U. S. A.

\$836,556.74

CATTON, BELL & CO., General Agents

R. C. MEDCRAFT,
 Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—JOHN E. COSGROVE, San Francisco. F. F. RICHARDS, Los Angeles.
 WM. M. PATTERSON, Portland. JESSE DEBRUHL, Spokane.

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets,, - \$995,596

Capital, - \$300,000

Surplus, - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

558 Sacramento St.,

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

Benjamin Kahn of South Bend, Indiana, has been found guilty of setting fire to his place of business, the Farmers & Workingmen's Friend Store.

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY - THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

Alaska Commercial Building - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by the State of Massachusetts
Incorporated 1849

Total Assets	\$10,407,847.65
Total Liabilities	7,537,140.04
Net Surplus	2,870,707.61

SURPLUS TO POLICYHOLDERS, \$4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by the State of New Jersey
Incorporated 1811

Total Assets	\$1,870,656.00
Total Liabilities	1,010,774.70
Net Surplus	859,881.30

SURPLUS TO POLICYHOLDERS, \$1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

SEMI-ANNUAL STATEMENT JUNE 30, 1912

Assets	\$10,678,673 37
Capital and Surplus	3,124,412 06
Losses Paid to June 30, 1912	39,481,720 02

This company grants insurance as follows :

Fidelity Bonds, Surety Bonds, Burglary, Plate Glass, Steam Boiler, Fly Wheel, Employers' Liability, Public, Teams, Automobile, Workmen's Collective, Workmen's Compensation, Elevator, and General Liability, Personal Accident, Health, Physicians' Liability, and Druggists' Liability

Pacific Coast Department: { California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange
 San Francisco. Washington and Oregon—SEELEY & CO., 111 S. 10th
 St., Tacoma; Coleman Bldg, Seattle; Board of Trade Bldg, Portland.



WRITE TO-DAY

We want Capable Representatives and have places for them. This is your opportunity.

Write us about an agency.

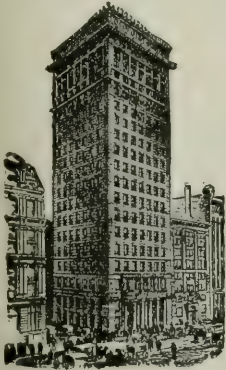
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Founded by JOHN F. DRYDEN, Pioneer of Industrial Insurance in America

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



A New Bond for Insurance Companies

Prepared after an exhaustive study of the needs of Insurance Companies. Write for a copy.

American Surety Company OF NEW YORK

The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.

JAMES K. LYNCH, RESIDENT VICE-PRES.

CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

BRANTLEY W. DOBBINS, Mgr. for Northern California and Nevada

Merchants National Bank Bldg. San Francisco. Telephone Kearney 1099

Carl Brown, Coxey's son-in-law has organized a "Coxey Army" of 36 in California and marched on Sacramento. He demands, at the muzzles of 36 tramps, that the legislature shall pass

his anti-poverty bill. Carl is the limit. He would have interested Lombrosi. Nevada now has a law prohibiting trading stamps. It is to be tested in court.

FIRE

The German of Illinois is now a free lance everywhere.

Pettit & Gage is the name of a new firm at Missoula, Mont.

Next year Utah will be governed by the new model law as to matches not made in heaven.

The secretary of the New Western Can Co. is under \$60,000 bail at Chicago, under indictment of arson.

A new law, a municipal regulation, in New York City prohibits the smoking of pipes or cigarettes in garages.

San Francisco now has the best equipped motor apparatus fire-hose on the Coast, at Stockton and Greenwich sts.

Minneapolis, Minn., has equipped its auto-apparatus with red front lights and sirens, and no common private citizen is to use either.

The Pacific National Fire of Fresno is now well boned with \$250,000 capital and more surplus. The raison for the new home company will appear later.

Gov. Cox of Ohio is bent on investigating the fire insurance business—in a way of course that will create political capital at the expense of insurance capital.

Robert J. Rubin is the name of the New York adjuster who has been convicted of arson in the second degree. The jury was out only ten minutes. Possibly members of this family are now in Portland, Ore.

Some ten professional arsonites are now undergoing trial or have already been convicted. One business man has been indicted for bribing the assistant fire marshal, to hasten adjustment.

LIFE

The Life Underwriters' Association of New York held its 27th annual meeting last month.

We congratulate the policyholders of the Security Mutual Life, on their defeat of the Chas. M. Turner ticket. Some 12,000 votes were cast at this election.

The National life men are trying to raise a fund for advertising the benefits of life insurance, the fund to be made up of contributions by the companies of 5 cents per \$1,000 written in 1912.

Seattle.—Life men here will try to capture from San Francisco in 1915 the annual meeting of the National Life Underwriters Association. The Tacoma and Portland life associations are asked to co-operate with a bang.

Samuel Quinn of Indianapolis—who organized the State Life?—is charged with drawing down 50 percent of the receipts of the sales of the stock of the Columbus Securities Co. and is a defendant in a suit to put his property into a receivership. Our warnings against his company seem warranted by all the facts now coming to the top.

At the last meeting of the Utah life men Mgr. Fred Hathaway of the Mutual Life called special attention to European laws favorable to life insurance, and to the present disposition of American legislators to tax and oppress the business. In Great Britain, for example, premiums are free from taxation, and a sixth of a man's income paid for premiums is free from the income tax. In Germany, Russia, France, Belgium, Austria-Hungary and Italy there is no premium income tax. We are not so highly civilized in barbarous America.

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

The first office to commence paying losses after the conflagration.

The first office to commence paying in full the face of the policies, without discount, for cash or exchange.

The only general agency that remained in San Francisco where its patrons suffered.

The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.

The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

**Get the Best Insurance While You Are About It
It Costs No More**

January 1, 1912

OLD AND
TRIED

GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,178,041 00
UNDIVIDED PROFITS	2,719,805 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,684,570 00
UNDIVIDED PROFITS	940,287 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,587,784 00
UNDIVIDED PROFITS	425,652 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal.

FireAutomobileMarine**COMMERCIAL UNION****ASSURANCE COMPANY, Ltd.**

OF LONDON, ENGLAND

Subscribed Capital	\$ 14,750,000
Paid-Up Capital	1,475,000
Total Cash Assets, Gold	56,579,048
Total Liabilities, including re-insurance reserve	46,019,127
Cash Surplus to Policyholders	10,559,921
Total Amount of Claims Paid	175,573,348

Assets in United States Held by Trustees, \$7,643,751ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE**Security Building, 343 Sansome St., San Francisco****E. T. NIEBLING, Manager****H. L. A. BATES, Assistant Manager****ACCEPT NO SUBSTITUTES****THE COAST REVIEW'S****PACIFIC FIRE CHART 1913****UP to Date, UP to Standard, UP to Reputation****5 YEARS' FIGURES**

Capital, Net Surplus, Policyholders' Surplus, Assets, Liabilities, Reinsurance Reserve, Net Premiums, Net Losses, Expenses, Loss Ratio, Expense Ratio, Income and Disbursements, Coast Premiums and Losses and Loss Ratio, San Francisco Premiums, Business by Agencies and Departments, Retired Stock and Mutual Companies, Pacific West Business by States and by Companies, Principal Court Decisions of a Year, American Fire Companies Which Paid No Dividends in 1912, Percentages of Dividends to Stockholders Funds

Tables of Short Rates

STABILITY AND STRENGTH

RESOURCES OVER \$52,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

PACIFIC DEPARTMENT

WILLARD O. WAYMAN---CARL A. HENRY

JOINT GENERAL AGENTS

FRANK E. STONE

MAXWELL H. THOMSON

ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets

San Francisco, Calif.

Branch Offices: Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00 Assets, \$9,268,924.08

WILLIAM J. DUTTON

PRESIDENT

BERNARD FAYMONVILLE

VICE-PRESIDENT

LOUIS WEINMANN

SECRETARY

A. W. FOLLANSBEE, Jr.

MARINE SECRETARY

J. B. LEVISON

SECOND VICE-PRESIDENT

H. P. BLANCHARD

ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

T. M. GARDINER

TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building

Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 84
NO. 4

APRIL

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast **INSURANCE** Review

PROTECTION

An Insurance Journal and Directory

IN ITS FORTY-SECOND YEAR

San Francisco: Merchants Exchange Building

The Only INSURANCE Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

Life Man Writes from Sacramento
Coast Review's Pacific Fire Chart 1913
Home of New York Completes Its Half Century
California and Coast Fire Figures
California Life Final Figures
Workmen's Compensation Fund for California
Fire Companies Cease Writing in Mauling Missouri
The Home Organizes an Underwriters
Proposed Income Tax Includes Life Insurance Dividends
California State-Rating Bill Is Defeated
Branch and Mann Jr. Assistant Managers
Automobile Lists Scandal at Sacramento
Probably Anti-Rebating and Anti-Twisting Law in California
Manhattan Life New Rates
Continental Casualty Company Settlements Criticized by State
Examiners

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets
\$58,371,415.00

Assets in U.S.
\$13,739,218.9

LIVERPOOL & LONDON & GLOBE
INSURANCE CO., LTD.

NEW YORK OFFICE, 80 WILLIAM STREET.
H. W. EATON, Manager
G. W. HOYT, Deputy Manager
J. B. KREMER, Ass't Deputy Manager
T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
CLARENCE F. LOW, Manager
J. G. PEPPER, Ass't Mgr
THOS. H. ANDERSON, Deputy Ass't Mgr

FLORIDA, ALABAMA, MISSISSIPPI, ARKANSAS, MISSOURI, OREGON, WASHINGTON, ARIZONA, IDAHO, CALIFORNIA, NEVADA, ALASKA.

CHICAGO OFFICE, INSURANCE EXCHANGE.
W. S. WARREN, Manager.
GEO. H. MOORE, Assistant Manager
HUGH R. LOUDON, Deputy Ass't. Mgr

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
JOHN W. GUNN, Manager
R. P. FABJ, Ass't Manager

Established 1836

Entered U. S. 1842

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05
Surplus	\$ 4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH. Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144.

LOSSES. The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852

JOHN W. GUNN, Manager

Temporarily at

R. P. FABJ, Assistant Manager

514 California St., San Francisco

Special Agents:

R. G. BRUSH

R. H. ROUNTREE

HARRISON HOUSEWORTH

D. B. EDWARDS

W. H. RAYMOND

CHESTER S. MYRICK

F. E. ATKINS

GEO. J. J.



Conflagration-Proof Insurance




Losses paid to date, - - over \$164,000,000

PACIFIC DEPARTMENT

GERMAN AMERICAN PHOENIX OF HARTFORD

GERMAN ALLIANCE PROTECTOR UNDERWRITERS



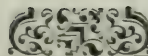
EQUITABLE FIRE & MARINE INSURANCE CO.

GEO. H. TYSON GENERAL AGENT
HERBERT FOLGER ASST. GENL. AGENT
SAN FRANCISCO

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



SOLICITING INSURANCE FOR
THE MUTUAL LIFE INSURANCE CO. OF NEW YORK
 IS ONE OF THE MOST LUCRATIVE OF CALLINGS

Are you in the business to stay? Choose a Company good enough for you to stay WITH, and strong enough to stay with YOU, during your whole career;

The oldest Company in America, which began business seventy years ago, is bigger, better and stronger now than ever before, and will be still bigger, better and stronger seventy years hence;

Not the company which YOU must introduce, but the Company which introduces YOU wherever you go;

The Company whose better selling qualities earn most for you in the way of commissions;

The company which furnishes the insured the largest protection for his money.

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

LIFE

The mutualization of The Prudential seems probable at an early date.

General Manager Samuel writes us there was no expense connected with the organization of the Oregon Life, and that no surplus was paid in. During 1911, the company saved 44½ percent of its income, and during 1913 it saved 14½ percent. The general manager and the assistant manager draw no salary, but carry a rate book with them at all times, in order to make a living. The home office consists of only four rooms with modest furniture and supplies, which are never counted as assets. All purchases are charged up as expenses.

The Manhattan Life Insurance Company announces the appointment of George Lœsch as manager of the Metropolitan agency, with territory comprising Greater New York. Mr. Lœsch comes to the Manhattan Life with a long experience, both as a first-class personal producer and as a skilled and successful agency builder. For fifteen years

he was with the New York Life, serving ten years as their agency director for New York City. Marked success crowned his work, and he trained and developed some of the best producers. A gentleman of winning personal charm and magnetic energy, Mr. Lœsch possesses that peculiar ability which inspires others to achieve results. He is admirably equipped by knowledge and experience, and the management of the Manhattan Life is certainly to be congratulated upon the connection.

MONEY

Louisiana is advertising that state's 4 percent bonds in London paper. They are called Louisiana "constitutionals," being authorized by the constitution as amended in 1910.

Victoria and Vancouver mortgages bearing 7 percent interest are advertised in London, the sellers' commission being "5 percent of the interest actually collected."

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00

Net Surplus, 295,338 00

Total Assets, 1,278,845 00

OFFICERS

W. E. DEAN, President
GEO. W. BROOKS, Secretary

E. W. McARTHY, Vice-President
GEO. L. PAYNE, Treasurer

HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.

Special Agents and Adjusters

J. W. WARNER, San Francisco
A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
and at the rate of "Dollar for Dollar."

Western Department, Chicago, **HENRY J. WOESSNER, Gen'l Agt.**
Eastern Department, Philadelphia, **FRANK C. STURTEVANT, Manager.**
Middle East Department, Pittsburg, **LOGUE BROS. & CO., Gen'l Agts.**



LTD.

OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

PACIFIC DEPARTMENT - - - 332 PINE ST.
SAN FRANCISCO, CAL.

JAMES WYPER, - - Manager

THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM
AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES

Pacific Coast Casualty Co.

Of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00

Assets, : : 1,231,513 10

E. F. GREEN President
CARL G. BROWN Vice-President
H. A. BAUER Secretary

DIRECTORS.

Henry E. Bothin	E. F. Green
Edward L. Brayton	Carl G. Brown
Marshall A. Frank	J. H. Bennett
Allen I. Kittle	Geo. W. Turner
F. P. Deering	H. W. Goodall
W. P. Johnson	

Head Office: Merchants Exchange Bldg.
San Francisco

LIFE

A British paper advertises: "Life policies in force 10 years required as an investment; exceptional terms given."

The English were the authors of the first practical life insurance companies, but modern life insurance, non-forfeitable, must be credited to an American.

BUSINESS

General business throughout the country is dull. The chief causes are the sessions of the many much-talking-menacing legislatures and the uncertainty as to the new reduced tariff. The congress soon meets and then the scrapping begins. Meantime manufacturing and buying and selling are greatly curtailed and collections are slow.

It's just as hard to stay at the top as it is to get there.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-one Years for

Low Rate of Mortality

Economy of Management

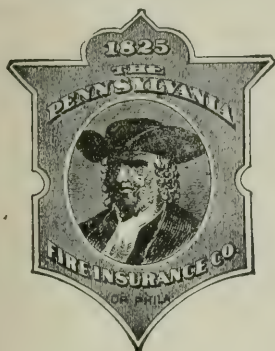
Prompt Payment of Claims

GROSS ASSETS, OVER \$18,200,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Hellman Building) LOS ANGELES, Cal.



The Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

**SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop**

California Dam Breaks

Nevada City, April 2nd. — Nearly 2,900,000 gallons of water flowed through the business section of this city early this morning by the breaking of the settling reservoir of the city water system. The torrent followed the course of a ravine and made its way to Commercial street, where it reached a depth of 18 inches, flooding the basements and first floors of many stores.

Logging Accident in Washington

Aberdeen, Wash., April 2.—Barney Kerr, logging engineer, and R. M. Crockett, fireman, were killed, and Arthur Anderson, hooktender, probably fatally injured at camp No. 5 of the Polson Logging company today when a tree to which a donkey engine was hitched, was pulled out by the roots and fell on the three, crushing them.

The well known San Francisco insurance lawyer, Wm. S. Goodfellow, who handled a number of 1906 claims, died April 2 of typhoid fever.

In the cabinet at Washington Secretary Bryan is hostile to insurance and believes in state life and fire insurance. Secretary of Commerce Redfield is friendly and is a director of the Equitable Life. Reformer Brandeis, who is not friendly, is slated for a high government place.

Men's clothes are now cut a hundred at a time by machinery, almost instantly; and the button-holes of a hundred garments are machine cut in twenty minutes.

In ancient times, knights on horseback wore iron shoes two feet long. They wore them long too. These uneducated gentlemen had good understanding indeed.

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company
his leader. That company is certain to
be the Continental = = = = =

HENRY EVANS, President

Pacific Coast Representatives:

A. G. NASON & CO., San Francisco

F. P. WILSON, San Francisco

G. L. McINTIRE, Los Angeles

W. A. WILLIAMS, Portland

G. L. A. LAUER, Seattle

J. A. CARLSON, Spokane, Wash.

J. C. WICKLER, Sacramento

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



Funds Exceed - - \$ 46,000,000

Annual Income Exceeds 6,500,000

Claims Paid Over - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BRODENSTEIN California, Nevada, Colorado and Utah.

APPLICATIONS FOR AGENCIES INVITED

FOUNDED 1806

CASUALTY

The Pacific Coast Casualty has entered Vermont.

The California Surety & Casualty of Los Angeles has Geo. H. Bixby for president and Vernon McCullough for secretary.

SURETY

The Illinois Surety now has \$50,318, net surplus, the stockholders having paid in \$50,000. Only \$318 stood between the company and impairment. This surety business is not what it is cracked up to be.

At the meeting of the Surety Association of America at the Waldorf-Astoria the proceedings were enlivened by a fight. The president of the United States Fidelity & G. Co. struck the vice president of the National Surety "with his clenched fist" three times, "stunning him." The National man,

in a speech, had just charged the Baltimore company with bad faith in securing the U. S. Steel business by making an unauthorized special rate. The American Bonding is charged with making a cut rate to get the Seaboard Air business away from the National Surety, which had been previously charged with bad faith when it got the business from the American Surety.

FIRE

The asphalt roofing fire in Vandalia, Ill., in March, cost the companies nearly \$600,000. Spontaneous combustion in the rag warehouse was probably the cause. London Lloyd's were on for \$120,000.

Tuttle, Wightman & Dudley, Inc., have dissolved and the Commercial and First National of Washington, D. C., are to have a home office management.

ESTABLISHED IN 1845

Prussian National

Insurance Company

(OF GERMANY)

CAPITAL, . . . \$2,250,000.00

ASSETS, . . . 5,130,876.07

United States Branch
171 LaSalle Street, Chicago

HAROLD W. LETTON,

General Manager

JOHN A. PRINSEN, General Agent

315 South Broadway

LOS ANGELES, CAL.

The
Metropolitan
Life

Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

SAN FRANCISCO

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Net Surplus
\$8,238,392.50
Surplus as to
Policyholders
\$13,238,392.50



Cash Assets Now
\$23,051,531.36

Losses Paid
in

94 Years

\$132,981,553.48

All Losses Paid in Cash Without Discount Immediately Upon Adjustment
General Agent

W. H. BREEDING, Asst. General Agent

Main Office, 301 California Street
SAN FRANCISCO

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR

This Company has absolutely *no* connection with any other corporation bearing the name of *Aetna*.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21

Surplus to Policyholders 10,513,692 22

Losses Paid, Over . . . 158,607,806 00

PALACHE & HEWITT, General Agents

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

J. J. DENNIS

P. H. GRIFFITH

WILLIAM S. DENNIS

NEIL STEWART

C. E. MILLER

M. E. SPAULDING

J. HENRY WOLBOLD

GEO. E. DEVINE

R. E. DOLLARD

L. H. EARLE

April, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 42d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 84

San Francisco, California, U. S. A.

Number Four

Entered at San Francisco Postoffice as second-class mail matter

According to the prophets, the new income tax is to make us a nation of liars. Not a single insurance editor will admit that his income is as much as \$4,000.

‡‡

No law, not even in Missouri, will compel the sale of insurance at cost or less.

‡‡

A Sacramento dispatch says that for thirty days the insurers of automobiles have been obliged to pay tribute to the son of the secretary of state for information which should have been gratuitous—information as to the registration of new automobile licenses. These thrifty politicians would even go so far as to exempt their salaries from the income tax. Doesn't it bump you?

‡‡

The country must now, for a time, be unavoidably ill of tariff-tinkeritis.

‡‡

We should like to see the California insurance department behind a measure requiring life companies to conspicuously stamp on the policy its kind, and when maturing. Limited payment policies are still sold as endowments.

San Francisco finds itself unable to sell its bonds at par.

‡‡

Might it not be wiser to punish the property owner who overinsures, rather than the company that accepts the over-insurance.

‡‡

Sympathetic juries and clamorous fellow-merchants are responsible for many incendiary fires.

‡‡

We have not yet read any moral from the death of J. Pierpont Morgan without any life insurance.

‡‡

We have not yet heard of the falling building clause in connection with Omaha fire loss settlements, nor of the "did not calculate this flood-fire hazard in the premium rates" argument in settling the Dayton million-dollar loss.

‡‡

In California a Cooper is trying to barrel fire underwriting and then hoop up things at the next election—we suspect.

‡‡

The automobile fire engines were useless at Dayton.

200,000,000 People in the U. S. A. in 1950

Mexico Will Become Americanized

At the present rate of growth the population of the United States of America on this continent, in its present territory, will be 100,000,000 in 1945 and 200,000,000 in 1950.

At the middle of the 20th century this country will represent an invincible aggregation of highly civilized people. What tremendous possibilities of insurance development are suggested by an enterprising, rich and educated population of 200,000,000! It means fire companies (probably writing casualty business too) with assets in the hundred million and life companies (probably writing disability and pension business) with billions of assets.

Meantime, where else is Europe's overflowing population to find homes? Canada and Australia, of course—and South America too. There are vast areas of sparsely settled lands in the continent south of this, and into these areas will go an average of a million Europeans yearly—Germans, Poles, Danes, Dutch, Swedes, Slavs, Hungarians, Greeks, Italians, French, Portuguese and Spanish. New nations will rise in that vast continent, and be dominated by people from the north of Europe. The offspring of the small Iberian peninsula can not compete in numbers with the offspring of the rest of Europe. And so the political map of South America will be changed, in spite of the Monroe doctrine or possibly because of it. There will be Latin countries down there, but there will also be Teutonic and possibly Slavonic.

Meantime Mexico, now half-breed, will cease to be a Latin country, just as California, Arizona, New Mexico and Texas did some sixty-odd years ago. The huge population of this country will spill over into Mexico and Canada.

It is inevitable that Mexico will cease to be a Latin country. It will be Americanized. Indeed, the population of all North America will some day derive their ancestry from north of the Pyrenees mountains in Europe. American capital and American people will some day be in possession of Mexico, and make of it another southern California.

If you have any influence with your Uncle Samuel, tell him so.

Two Definitions

FALSE STATEMENT—A fraudulent statement by insured is a statement known to be false.

WARRANTY—A "warranty" is any statement material or not which the parties have expressly agreed is true.—*Kasprzyk v. Metropolitan Life*, 140 N. Y. S. 211.

The First Steamboat

In Washington's Diary of September MDCCLXXXIV, published by the Century Co.—an account of George's journey to his lands near what is now Pittsburg, there appears this entry:

"Remained at Bath all day and was showed the Model of a Boat constructed by the ingenious Mr. Rumsey, for ascending rapid currents, by mechanism; and the principles of this were not only shown, and fully explained to me, but to my very great satisfaction, exhibited in practice in private under the injunction of Secresy, until he saw the effect of an application he was about to make to the Assembly of this State, for a reward.

"The Model, and its operation upon the water, which had made been to run pretty swift, not only convinced me of what I before thought next to, if not quite impracticable, but that it might be to the greatest possible utility in inland Navigation; and in rapid currents; that are shallow.—and what adds vastly to the value of the discovery, is the simplicity of its works; as they may be made by a common boat builder or carpenter, and kept in order as easy as a plow, or any common implement of husbandry on a farm.—"

Washington encouraged the young inventor, and later gave him a high position in connection with the improvement of the Potomac river. In March 1786, Rumsey successfully propelled a boat by steam on the Potomac river, on which stream Virginia had given him exclusive rights of navigation for ten years. In December 1792, he successfully operated a steamboat on the

Thames in England. Within a month he died. His rival, Fitch of Philadelphia, had also successfully operated a passenger boat by steam, on the Delaware river. If Franklin had not discouraged Fitch, the practical steamboat might have come nearly twenty years before it did, on the Hudson.

Must Accept or Reject Application Within a Reasonable Time

An insurance company obtaining an application and receiving payment of the fees or premiums must accept or reject the application within a reasonable time and is liable for the damages resulting from its failure to do so.—*Duffy v. Bankers Life*, 139 N. W. 1087.

Re-insurance Defined

Re-insurance is a contract by which one insurer agrees to protect another from a risk already assumed, the contract, without more, creating no privity between the re-insurer and the insured.—*Vial V. Norwich Union Fire*, 100 N. E. 929.

A contract by which defendant re-insured risks of the I. Company held a strict contract of re-insurance, which did not entitle one of the I. Company's policyholders to sue defendant for a reformation of his policy for mistake.—*Id.*

Real Estate Brokers

Where a broker, employed to find a purchaser, has begun negotiations, no revocation of his authority is possible, unless brought home to him by actual notice.

Where a real estate broker was engaged to find a purchaser for land at a fixed price and the contract said nothing as to the terms of sale, it was not necessary, to entitle him to commissions, that he should find a purchaser for cash; a purchaser who bought on terms satisfactory to the owner being sufficient.

Where a real estate broker was employed to sell land at a fixed price, but without terms of payment, the acceptance by the owner of a purchaser who did not pay cash stops him from denying that the terms offered were satisfactory.

To earn commissions for finding a purchaser, a broker need not participate in the negotiation; it being enough that he is an efficient cause of the offer to purchase.

Where a real estate broker did everything necessary to earn the commission under his contract with a landowner to procure a purchaser, he cannot be deprived of his commission because the landowner's sale of the property was without intending to defraud him of his compensation.

In an action by a real estate broker to recover compensation for procuring a purchaser at a fixed price, it was not proof of the broker's unfaithfulness as matter of law to show that the purchaser understood the broker to intimate that the property might be secured at a less price.—*Alexander v. Smith*, 61 So. 68.

When (in 1856) a company was formed to lay a cable under the Atlantic ocean, and was capitalized at \$1,750,000, Sir G. B. Airy, F. R. S., astronomer royal of England, declared the undertaking physically impossible. American capitalists, always timid, believed him. There are scientific fire underwriters who did not believe the Coast Review when it predicted the day will come when a few companies, each with some \$50,000,000 capital and surplus, will write about all the business of this country without expectation of any underwriting profit—and without a local agent as that term now implies. The big companies are already here. The day of nominal underwriting profit draws near.

Doesn't Show Dividends to Stockholders

The annual statement of the Provident Life & Trust doesn't disclose the dividends paid stockholders.

Accident Insurance on Married Woman

An insurer, after entering into a contract of accident insurance with a married woman was estopped to dispute its obligation to pay, after an accident occurred, on the ground that she, not being engaged in business, could not recover the value of her services.—*Brix v. American Fidelity*, 153 S. W. 789.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

FIRE

Federal—Liverpool & London Globe Ins. Co., Limited, v. Harding. 201 F. Rep. 515.

Cancellation of Policy by Insurer—Notice and Tender—Foreign Corporation

Under the provision of an insurance policy that it may be canceled by the insurer by giving notice of cancellation and tendering a ratable proportion of the premium to the insured, mailing a proper notice or a copy of it, and the return premium in a letter postpaid and addressed to the insured at its post-office address, or delivering a copy of the notice and the return premium to an agent in charge of its office and business, are sufficient to effect the cancellation, where the insured is a foreign corporation, and all its officers are absent from the state in which its office, its principal place of business, and the property insured are situated.

The conclusion of the court is that under the provision of an insurance policy that it may be canceled by the insurer by giving notice of cancellation and tendering a ratable proportion of the premium to the insured, mailing the notice, or a copy of it, and the return premium in a letter postpaid and addressed to the insured at its post office address, or delivering a copy of the notice and the return premium to an agent of the insured in charge of its office and business, are sufficient to effect the cancellation, where the insured is a foreign corporation, and all its officers are absent from the state in which its office, its principal place of business, and the property insured are situated. A foreign corporation may not perpetuate its insurance under such a policy by selecting officers who absent themselves from the state where its property insured, its office, business, and postoffice address are situated, and failing to give express authority to its agent in

charge thereof to accept notice of cancellation and the return premium. Because the court below fell into an error in this regard, the judgment below must be reversed, and the case must be tried again.

Pennsylvania—Lebanon County v. Franklin Fire Ins. Co. of Philadelphia, 85 A. 419

Avoidance—Breach of Condition—Gasoline of Painter

A provision in a fire policy which prohibits the keeping or use of gasoline on the premises without the consent of the insurer will not be strictly construed, and, where a fire occurs from the use of gasoline in a gasoline torch in the burning off of old paint on the building insured, and not from any explosion of gasoline stored on the premises, the mere use of gasoline in the torch will not prevent a jury from returning a verdict for the insured.

Repairs

A provision in a fire policy that the working of carpenters, roofers, etc., in building, altering or repairing the premises without permission of the insurer, will avoid the policy, does not apply to repairs which are necessary for the proper care and preservation of the property, and the question of what repairs are necessary therefor is for the jury.

In making the contract of insurance the parties must be regarded as having had in contemplation the proper care and preservation of the premises insured.

We think the issues involved in this case were such as to require their submission to the jury, to be determined

as questions of fact; and in the manner in which they were submitted we see no error.

The assignments of error are overruled, and the judgment against plaintiff insurance company is affirmed.

The court said:

"Immediately prior to the fire the county commissioners had repaired the roof, placed a concrete floor in the corridor, replacing tiling which had become loosened, and it was claimed dangerous, had done some plastering and papering, had taken out one radiator in the corridor, replaced wooden wainscoting with enameling, placed new doors with transoms in the corridor on first floor, plaintiff claiming the old doors were worn out, and made some other minor repairs. The cupola had been painted, the old paint having been burnt off with the painter's torch, using gasoline as fuel, and the main building was in course of preparation for painting at the time of the fire. The paint was being burnt off by the contractor, using a painter's gasoline torch. In the course of this work two slight fires had occurred in the cornice. The painters had stopped work shortly before the fire which started at the place where they had been working on the cornice. The painter's torch, such as here used, was in general use for removing the paint on the exterior of the building and was admittedly the most practicably effective and satisfactory instrument and means to accomplish this end. The woodwork was old and in some places decayed. The county commissioners presented evidence tending to show they had instructed the contractor that if, in the course of the work, he met with decayed wood, it was to be marked off and repaired by the county commissioners."

Whether or not the risk was increased in any way by the work which was done was under the authorities a question of fact for the jury. In *Heron v. Insurance Co.*, 180 Pa. 257, 261, 36 Alt. 740, 742 (36 L. R. A. 517, 57 Am. St. Rep. 638), Chief Justice Sterrett said: "If the policy had contained only the clause relating to increased 'hazard' above quoted, the case should have gone to the jury." In *Girard Fire & Marine Ins. Co. v. Stephenson*, 37 Pa. 293, 298 (78 Am. Dec. 423), Mr. Justice Strong says: "Whether a risk has been increased or not is a question for the jury, not the court." The principle involved is broadly stated in 2 *Cooley on Insurance*, 1495, as follows: "It cannot be said as a matter of law that any particular change in the condition of the property insured, or the doing or omission of a particular act, increased the risk. What consti-

tutes an increase of risk is essentially a question of fact."

Fire Legal Brevities

The risk or cause of loss insured against is a requisite of an insurance contract concerning property.

An insurer's obligation to insure against other risks than those expressly stated in the policy cannot be implied from the nature of the transaction; since the law will not imply a promise or obligation of a person repugnant to his own express declaration.

Note on the Margin.—Where a policy stated that the insurance effected thereby was "subject to conditions as in margin," a stipulation in the margin, which was the only part of the contract, which stated the risks insured against, was a part of the policy, and was controlling.

Gasoline.—Where insurer, when issuing a fire policy stipulating that it should be void if insured should keep gasoline on the premises, knew that gasoline was kept on the premises and used in insured's business, the keeping of the gasoline did not invalidate the policy.

Merchandise.—A policy "on merchandise consisting of clothing made and in process of making, and materials for same," embraces all goods, wares, and merchandise on hand and the tools and implements of the business as conducted by insured.—*Oklahoma Fire Ins. Co. v. McKey*, 152 S. W. 440.

Where insured in a fire policy breaches a warranty contained therein, so as to render the policy void, he may not recover any part of the premium. 100 N. E. 655.

Where each of several policies provided that, if there be other insurance, insured shall recover on the policy no greater proportion of the loss than the sum insured bears to the whole amount insured, each company should pay the proportion of the value of the property which the amount of its policy bears to the amount of all of the insurance, though some of the policies covered additional property.—*Taber v. Continental Ins. Co.*, 100 N. E. 636.

A delivery of an insurance policy to an agent for the insured and his delivery to the insured constitutes a good delivery by the insurer with an intent to become bound thereby.—*Singer v. National Fire Ins. Co. of Hartford, Conn.*, 139 N. Y. S. 375.

Notes—Waiver—Notes given for premium, providing, that if they were not paid at maturity, the whole amount of the premium should be considered earned, and the policy should be void until the note was fully paid, is a penalty which cannot be enforced.

Where a company retains notes given for premium and endeavors to collect them in full, it waives the provision that the policy should be void if the notes were not paid at maturity.—*Shawnee Mut. Fire Ins. Co. v. Cannedy*, 129 P. 865.

Separation of Damaged Goods—A condition for separation by insured after a fire of the damaged goods from the undamaged is given a liberal construction in favor of insured; and it is enough that there is such a separation that insurer can estimate the loss.—*Greengrass v. North River Ins. Co.*, 139 N. Y. S. 937.

Where insurer's resident agent, when writing a fire policy and accepting the premium, knew that the premises were not exclusively occupied as a dwelling, as warranted by the insured, the agent's knowledge was the knowledge of the insurer.

Where insurer knew, when it delivered a policy and accepted a premium, that the premises were not used exclusively for dwelling purposes, the warranty of insured that they were so used was waived.—*De N. v. Delaware*, 138 N. Y. 855.

LIFE

Kentucky—*Columbia Life Ins. Co. v. Tousey*, 153 S. W. Rep. 767

Representations—"Practice"

An application for insurance asked concerning the applicant's "practice" as regards the use of spirits, wines, malt liquors, or other alcoholic beverages, and subdivided the answer by the words "kind," "amount," and "how often," which the applicant answered "nothing," "none," and "never," respectively. Held, that the word "practice" was used in the sense of habit or custom; and, it appearing that the applicant, in a period covering several years, had only been seen to take two or three drinks, and was not known by his employers and associates to drink at all, the answers were true.

Keeley Treatment—Misrepresentations

A statement, in an application for insurance, that the applicant had never taken any special treatment for inebriety was not falsified by proof that some 15 or 20 years prior to the application, he had taken the Keeley treatment, in the absence of proof that such treatment was taken for inebriety and not for the drug or some other habit.

Health—Nephritis

An answer, in an application for insurance, that insured was in good health, made January 28, 1910, called for his opinion only, and, there being evidence of the examining physician that the test of the applicant at that time showed no indication of nephritis, was not falsified by proof that a physician, who was called to treat him in April, 1910, found him suffering from nephritis, which, in his opinion had existed for some years; and that he died in December, 1910, of chronic nephritis.

Intoxication

A statement, in an application for a policy, that insured had not been drunk to "intoxication" during the preceding five years was not falsified by the evidence of two witnesses that they had each seen the insured intoxicated on one occasion, not shown to have been within the limit of time specified, nor to such an extent that the insured was unable to care for himself, or to go about his business.

Life Legal Brevities

Where the insured died, while the loan for which he had pledged his policy to the insurer was past due and unpaid, and after his policy had ceased for nonpayment of a premium, there could be no recovery on the policy.—153 S. W. 428.

The right of a beneficiary in a life policy may be divested by a change of beneficiary,

if the right to change is reserved to the insured in the policy.—*Robinson v. New York Life Ins. Co.*, 153 S. W. 534.

Rev. St. 1889 safeguarding the interest of a married woman and her children in a policy for her benefit on the life of her husband, did not nullify or forbid a reservation in the policy, authorizing him to change the beneficiary, nor invalidate changes made by him during her life.—*Id.*

Fire Mutuals in Court

Under the constitution and by-laws of a mutual fire association, providing that an applicant becomes a member from the commencement of the risk, an application for membership and for insurance, providing that insurance takes effect from date of the application, constituted a contract of insurance from that date and before issuance of the policy.—77 S. E. 279.

Acute Gastritis

A Philadelphian failed to remember an acute attack of gastritis two years before, when, in applying for life insurance he answered the usual questions as to health and the employment of a physician. Judge Gray of the federal court of appeals ruled for the insurer, which refused to pay the claim on the ground of false statement as to health.

The Insurance Digest

In the 1913 edition of this valuable annual we find that 795 cases involving insurance questions were passed upon by the highest courts last year divided thus: fire, 182; life, 147; fraternal, 170; marine, 12; miscellaneous, 231. The insurance companies were interested in 621, of which they finally lost 55 percent. Adjusters, managers and lawyers appear to have been ignorant of the law.

The price is \$3.50; the publisher is the Rough Notes Co., Indianapolis, Ind.

Under a policy requiring insured to produce "direct and affirmative evidence" that the loss of the insured articles was due to burglary, theft, or larceny, a recovery cannot be had merely by proof of the disappearance of jewelry from a place in insured's

room to which only she had access.—*Duschenes v. National Surety Co. of New York*, 139 N. Y. S. 881.

California Should Profit by the Mistakes of Other States

State Rates a Failure in Kentucky

The following article appeared in *Insurance Monitor* for March:

"The deplorable condition of the fire insurance business in Kentucky is an illustration of the muss created by the interference of the legislature between the public and the companies. The rates on farm risks fixed by the state board under the drastic law are so unremunerative that the companies have withdrawn from the farming regions. The property owners are quite willing to pay the old or higher rates, but the law forbids. The banks threaten to foreclose their mortgages because they are unable to obtain insurance. On the agents' side, the fruits of their labor are lost. Agents having a large and satisfactory business are obliged to stand idle and see the business stop. This is not a case of rivalry among agents, for all are in the same boat, and the companies, having recalled their support, the agents are helpless. Undoubtedly the strain is the heaviest in the farming districts, but the Kentucky rates in the cities are equally unsatisfactory. The companies decline renewals at the amended rates, save in a few cases. Storekeepers are unable to obtain credit because they are not protected by insurance. The agents are pleading with the governor to call an extra session of the legislature to repeal the whole batch of laws which have brought about these troubles to please a few demagogues."

An Indiana law will compel the insurance companies to pay the expenses of the state fire marshal office. In this way the owners of lands and other incombustible but benefited property escape the tax which is included in the fire premium.

Some twenty-five years ago the Pennsylvania life insurance report was one of the best in the country. Now there is no man so ignorant as to give it respect.

FIRE INSURANCE

MICHIGAN F. & M. INS. CO.

Substantial Gains in Assets, Reserve, New Business and Premium In- come

Detroit companies have always enjoyed a good reputation for solid worth and the creditable discharge of all obligations. The Michigan F. & M. Insurance company has contributed to that favorable reputation by its steady, healthy growth, as well as by the way it has met its ordinary and extraordinary losses.

Some of Detroit's wealthiest men are the principal stockholders of the Michigan F. & M. and are ready to "back up" its guarantees of indemnity. The president of the company is D. M. Ferry, Jr., of the rich and widely known seed house of the same name.

This company was organized in 1881, and ever since has been advancing along the correct lines which insure permanency and satisfied loss claimants. It is only a year like 1906 that fails to show an underwriting profit. The reserve for unearned premiums uniformly advances but to an extent that shows a conservative management and a safe progress.

In the matter of assets, the Michigan is just touching \$1,500,000; in premium income, \$700,000, and the reinsurance reserve is nearly as much; while the surplus to policyholders is more than half of the assets. Dividends to policyholders are paid out of interest earnings, and there is always a remainder to strengthen the reserves.

Last year was not generally favorable to fire underwriters, but the Michigan made an underwriting profit, increased its assets, its unearned premium reserves, and its premium income, and paid the usual dividends on its \$400,000 capital.

On this Coast the general agents, Wayman & Henry, made a very satisfactory record, with a fine turn-over on the year's transactions.

Missouri Show Me

The Major governor of Missouri has signed the horrible example anti-trust bill. It will in 80 days be dangerous to be at large in that high-socialistic state with any kind of a rate-book in one's possession. Although in the past two years the fire companies have paid in losses and taxes and expenses on Missouri business \$1.12 for every \$1.00 premiums received, the authorities demand an immediate reduction of rates under penalty of ouster proceedings.

Here is a splendid opportunity for the companies to say to Missouri: "You must show us how to make money at even the old rates. Until you do, we shall suspend operations within your borders. Oust us and be hanged to you!" To cease writing because permitted rates are too low would be a shining example to other anti-trust crazed states.

San Francisco

The civil service commission of San Francisco, under the mayor's ax, has disciplined the first assistant chief of the fire department by cutting his salary \$75 a month. He had the temerity to publicly oppose the abolition of physical and health tests which have kept politics out of the fire department. It is said the mayor is resolved to remove the present fire chief.

New Mexico now has a resident agents law.

ORGANIZED 1881

MICHIGAN

FIRE AND MARINE INSURANCE COMPANY

OF

DETROIT - - - MICHIGAN

STATEMENT JANUARY 1, 1913

CAPITAL	\$ 400,000 00
RESERVE for Unearned Premiums on Unexpired Policies	629,093 91
RESERVE for Losses Unadjusted and not Due	65,520 23
NET SURPLUS	352,619 22
ASSETS	1,485,891 67

INCOME

Net Premiums	\$ 691,921 68
Interest, Etc.	53,901 63
Total Income	\$ 745,823 31

DISBURSEMENTS

Losses Paid	\$ 371,532 01
Dividends to Stockholders	40,000 00
Expenses, Taxes, etc.	310,132 93
Total Disbursements	\$ 721,664 94

COMPARATIVE FIGURES

	January 1, 1912	January 1, 1913
Capital	\$ 400,000 00	\$ 400,000 00
Reinsurance Reserve	584,087 58	629,093 91
Losses Unadjusted and Not Due	69,558 55	65,520 23
Net Surplus	366,614 49	352,619 22
Assets	1,459,462 97	1,485,891 67

D. M. FERRY Jr.	E. J. BOOTH	H. E. EVERETT	E. P. WEBB
<i>President</i>	<i>Vice-President</i>	<i>Secretary</i>	<i>Asst. Sec'y</i>

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Embracing CALIFORNIA, NEVADA, UTAH, ARIZONA, WASHINGTON, OREGON, IDAHO, MONTANA, HAWAII, ALASKA and BRITISH COLUMBIA

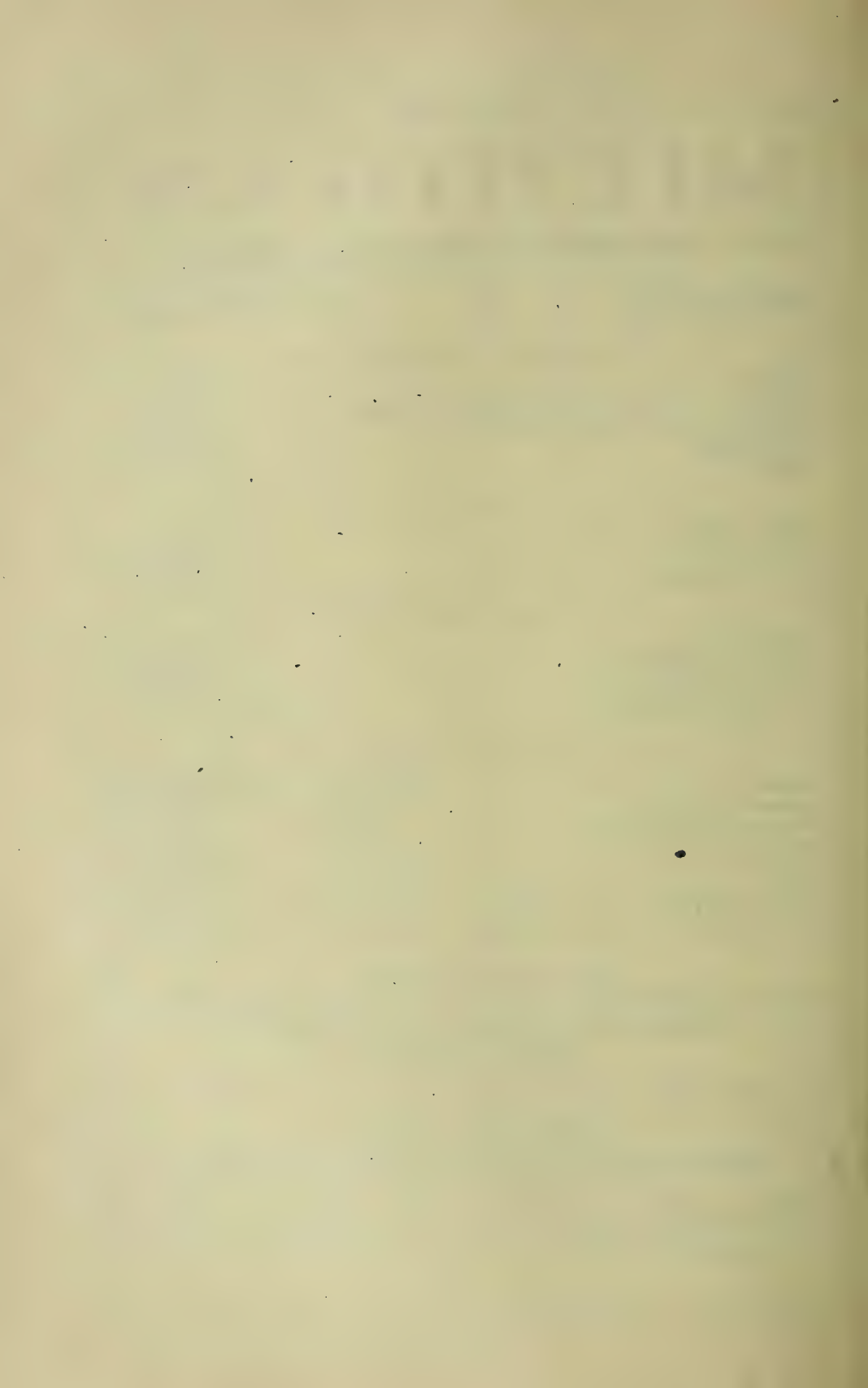
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Losses Paid Since Organization - - \$6,846,918 32



THE CAUSE OF THE APPARENTLY HIGH EXPENSE RATIO

A Paper by C. F. Welford, of Seattle, Read at the 17th Annual Meeting of the Fire Underwriters' Association of the Pacific

I do not quite like the title of this paper because the word "apparently" is ambiguous and means on the one hand "seemingly or apparently," but it also means on the other hand "probably, usually, manifestly, evidently." I use it (that is the latter sense) because it was suggested by your President, who gracefully invited me to address you, and I assure you that it gives me great pleasure to be with you in mind and heart though separated from you by long distances. Having this as a figurative sense been formally introduced to you, I will now as briefly as may be proceed with the subject.

Is not the cause of the "high expense ratio"—there is a large question—the failure of companies to make the best of their opportunities in doing about business? The public has the right to expect the business to be conducted at the lowest cost consistent with efficiency so that the benefit of premiums may be increased and shareholders are also entitled to it that expenditures may be kept within limits and that they may participate in the economies effected.

I shall only touch briefly on some of the expense items assumed by some knowledge gained by experience in the management of fire insurance business.

My attention has been called to an address by the Hon. S. E. Farnon of Nebraska read at the annual meeting of Insurance Commissioners at Spokane in 1912. It is a valuable paper and worthy of careful study, but while the expense items may be correct according to the returns made by companies to the insurance commissioners they are not to be relied on, and remind one of the adage (with slight alteration of the third line, viz: "There are liars, liars—liars and statisticians.")

A number of companies who conduct their routine business through a general agency system instead of local offices are also lacking without definite knowledge of most of the items of expense, and usually the under-disbursements of the general agency are charged to commission account.

Many companies charge adjustment expenses in less amount, others when the loss is settled by their special agents do not charge adjustment expenses with the traveling to and from the point of deviation, out local expenses, nor the pro rata of special agents' salary for the time expended in loss adjustment.

Inspection and surveys are stated to cost (roughly) one-third of one per cent of premium income, the true figure would be many times this, all the commissions (4 per cent) on adjustment expenses apply to expense of inspection and surveys. Further comment appears unnecessary to demonstrate that the items of expense as given by Mr. Farnon cannot be accepted as a true guide, if they could this paper would not have been written.

INSPECTIONS AND SURVEYS.

There is a very large number of risks important as to size and the amount of insurance carried that are not special hazards, and also an

almost unlimited number of special hazards many of them distant from the agency dealing with them that are usually inspected by an army of special agents. This causes annoyance to the insured and loss of much time to him or his employees; the recommendations are not always of a practical character and are frequently void of expert knowledge, and the final result of the work of this army of specials is almost worthless when the time and expense are taken into account. Let us assume a risk ten miles distant from an agency with a yearly premium of \$100. Taking into account livery or motor hire, pro rata of hotel and traveling expenses and special agent's salary it will be found that from 15 per cent upwards of the premium income has been spent inspecting the risk, and this is repeated yearly by a number of companies. Why should not better results be obtained for a small proportion of the present cost? If the territory were divided into such sized areas that each could be covered by one *expert surveyor* visiting each risk annually, the insured would be relieved from annoyance, the recommendations would carry the weight of the combined companies and more attention would be paid to suggestions for improving the risk. Companies when offered such a risk would at once find in their offices a competent survey with annual reviews to aid their judgment.

ADJUSTMENT OF LOSSES.

In the case of important losses we often find an army of specials, many of them in a hurry to get away and more anxious to settle than adjust and frequently pulling in different directions. Why not in all such cases select the three companies having the largest amounts on the risk and appoint them as an unpaid committee to deal with the claim? They would appoint one or more competent adjusters familiar with the particular industry, and the adjusters would act under the advice and instructions of the committee, and certainly the commitments of these three companies would sufficiently safeguard the interest of all others. By this method better adjustments and greater economy would be secured.

MAPS.

Why should the present system be continued for the profit of others who naturally operate for their own advantage; who frequently keep clients more or less satisfied (or dissatisfied), not infrequently leaving maps that need correction or remaking too long unattended to, and too often wasting companies' money by foisting upon them many sheets with scattered dwellings only thereon. The companies should co-operate in having their own staff of map makers, and it could be done by or in conjunction with the surveying corps.

PRINTING AND STATIONERY.

At important centres such as New York, Chicago, San Francisco and other places that would justify it, companies should have a plant owned in common, the saving should be important, and the printing of maps could be done by them. If companies could agree to standardize some of their forms, for example, daily reports, endorsement forms, account forms, proofs of loss, agents' registers, etc., the saving would be still greater and also facilitate the work of local agencies.

FIRE PREVENTION, ETC.

In a broad sense it is the duty of everyone to use reasonable effort in this direction, but I do not believe that an insurance company should spend appreciable sums of money for this purpose any more than a banking corporation should. Insurance companies are not paid for it; they do not profit by it; they are not thanked for it, and they are criticised for their heavy expense account. If they reduce the hazard they soon have to reduce the rate and correspondingly their premium income from which they aim to make their profits, and the lower your rates the greater your difficulty in keeping expenses down. It is mainly the business of the property owner jointly with the community in which the property is located to determine what the risk shall be, and the business of the companies to fix a rate proportionate thereto.

COMMISSIONS.

I am not unmindful that agents often complain that when companies want to reduce expenses they usually *talk* about commissions first, but I do not recall any substantial *action* having been taken to reduce that expense. In the days when a level 15 per cent commission was paid to agents, it was fully realized that in cases of small premiums it did not always pay the agent (in the old days agents often collected a policy fee for their own benefit) but the average result was satisfactory. At the time 15 per cent was generally adopted there were no targets nor mammoth industrials. Conditions have changed and for good and sufficient reasons graded commissions have been adopted. But why grade upwards only? Are there no reasons for grading some commissions downwards and keeping closer to the old 15 per cent average? There is a multitude of risks that can be secured without the asking on which 15 per cent is paid. Who gets it? Your agents do not, except when they control the line. The agent or broker controlling the risk gets it, less 5 per cent he pays your agent for writing the policy. Why not reduce the commission on such risks to the 5 per cent your agent usually gets? Neither agent nor company will be prejudiced; they will both get the risk if they sit down and wait and they will not have to wait long. As agents, by placing preferred business in non-cooperating companies at higher rates of commission, have forced companies to grade commissions upwards on such business, is there any reason why accommodation risks and highly rated non-competed-for business bringing in large premiums should not be graded downwards?

The foregoing suggestions if acted on would appreciably reduce expenses. By confining the issue of surveys and maps to co-operating companies, the non-cooperating companies would be placed at a distinct disadvantage.

I write of the business as I left it a few years ago. If changes have been made forestalling any suggestion contained herein I am glad of it.

Many difficulties in making reforms will be met with, but it is the business of ambitious and able men to overcome difficulties; the mediocre can do routine work. I hear the pessimist say, "dreams." Never mind that; we are surrounded with useful things that were dreams a few years ago.

WATER WORKS FOR FIRE PROTECTION

From a Paper by R. B. Matthews, Engineer Board of Underwriters, San Francisco, Read at the 37th Annual Meeting of the Fire Underwriters' Association of the Pacific

There are two possible sources of supply, gravity and direct pressure, the latter depending on some means other than gravity for producing pressure in the pipes.

A gravity supply must have the intake of the pipe system at such elevation above points where water is to be used as to give the desired flowing pressure, every foot difference in elevation producing in the pipe a pressure of .434 pounds per square inch when no water is flowing, this being known as the static head. To this must be added the loss of pressure by friction in the pipes when the maximum quantity of water judged likely to be used at any one time is flowing. This friction loss depends on five things: The length of pipe system between intake and point where water is used; the size of pipes; the character of the interior surface of the pipes, as to roughness or smoothness; the nature and number of bends, sudden contractions, enlargements or obstructions; and the quantity of water flowing.

The loss of pressure by friction can be computed very closely by hydraulic formulae for any given set of conditions, and is a matter that demands the most careful consideration. The static pressure on the system, or the pressure existing under ordinary conditions of domestic flow, especially if this quantity be small as compared with the demand for fire purposes may be very misleading, as may be seen by the following illustration:

Consider a system that ordinarily supplies 300 gallons of water per minute for domestic use. Based on the usual estimate of 100 gallons per capita per day this would supply a town of about 4,000 population. The recommendation of the Underwriters' Uniformity Association calls for a fire flow of 2,000 gallons per minute, the equivalent of eight standard fire streams for a town of this size. Assume the loss of pressure by friction in the pipe system to be five pounds under ordinary conditions of domestic consumption. The sum of the domestic and fire flow is 2,300 gallons per minute and the pressure loss would accordingly be 240 pounds during the fire flow, or 48 times as much as under normal conditions. In order to maintain a hydrant pressure of 80 pounds under the fire demand there would have to be a static pressure of 320 pounds on the system and a normal pressure of 315 pounds. These figures are based on the hydraulic law that loss of pressure by friction in pipes varies approximately, but not exactly, as the square of the quantity flowing, for a given pipe system; that is, if the quantity be doubled the pressure loss will be quadrupled, or if the quantity be trebled the loss of pressure will be multiplied by the factor nine. The illustration cited above represents conditions that would actually exist for a pipe system the equivalent of 5,600 feet, or a little over a mile of 8-inch clean pipe, straight and without obstructions of any kind. The effect of these and also of age would be to increase the friction; the latter, by reason of the roughening or tuberculation of the interior surface of the pipes from corrosion.

Of the two supplies gravity and direct pressure, the gravity is by far the better because it is positively automatic, not depending on mechanical devices which are subject to disorder and breakage, nor on human agency which is prone to err; also because the pressure is steady and not pulsating, which means less wear and tear on the pipe system; and further, because with a gravity supply it is impossible to increase pressure on mains beyond a safe point. Furthermore, a gravity supply is more flexible than direct pressure, that is, it is not limited to a specified number of gallons per minute.

In many situations it is not possible to secure a gravity supply, because of there being no suitable stream or natural elevation of sufficient height for a reservoir site. A standpipe or tank may be used, but this is necessarily limited in capacity and pressure and is suitable only for very small towns with low buildings, or for private protection. In such situations a direct pressure system must of necessity be used.

The quantity of water necessary and the pressure to be maintained at the hydrants for standard protection is the same, whether a gravity or direct pressure system be used.

* * *

SUPPLY MAINS.

There is little to be said on this subject, except that mains should be of ample size, which must be determined by their length and the quantity of water to be delivered. They should also be in duplicate and traverse routes widely enough separated that the breaking of one would not be likely to disturb the other.

DISTRIBUTING SYSTEM.

The function of the distributing system is as the name implies, to distribute the water to all parts of the town and supply hydrants at various points.

It is not practicable to outline any general scheme for a distribution system that would be applicable to all cases, owing to the diversity of conditions that are met with. Each individual case demands special consideration. A few general rules may be stated, however, which should be followed whatever the conditions.

The gridiron scheme should be employed, i. e., pipes should be joined at all intersections and a gate valve installed on each of the four branches of the intersection. This will permit of any length of pipe between intersections being cut out for making service connections and repairs, or in case of break, by the closing of two valves. If these intersections are sufficiently close together, say not over 300 feet apart, only a small part of the system will need to be out of service at any one time.

The system should be so designed as to permit of future extension and furnish additional supply to new or growing districts without impairing the efficiency of other portions of the system. This may be accomplished by the proper arrangement of large primary arteries with smaller secondary feeders.

The question of properly gating the system is of great importance. In a city in this state of 30,000 population, an investigation showed that a break in one of the large mains in the congested district would necessitate the closing of twenty-two gate valves before the system could be put back in service by which time a fire would undoubtedly have gotten beyond control. This means that the safety of the entire city was jeopardized by dependence on this one water main.

The points to be considered in connection with hydrants are: Spacing of hydrants should be not greater than 150 feet in congested valve districts, or 300 feet in residence districts. There is no economy in placing hydrants far apart as more hose is required, the initial outlay for which will more than equal, in most cases, the cost of the additional hydrants necessary for standard spacing. Furthermore, the life of hose is short as compared with that of hydrants. Added to this are the objections to long lines of hose in the time required to lay them, the increased liability of burst hose, and the loss of pressure sustained by friction. Referring again to the question of initial cost, consider the two cases of hydrants spaced 150 and 300 feet apart. The difference in the quantity of hose necessary to concentrate four streams at a point half way between the hydrants for the two cases is 300 feet. At \$1 a foot this means an outlay of \$300 for the additional hose required for the same service, while a six-inch double hydrant installed costs in the neighborhood of \$50.

So much for the technical side of the subject.

It will not be out of place here to give expression to a few general ideas which are pertinent to the discussion.

In the matter of fire protection it is necessary to provide against the most adverse conditions that are likely to arise. If only average conditions be taken as a basis of estimating the character of protection necessary, the ever present conflagration menace may at any time be transformed into a reality that will render valueless the money and effort expended for the so-called protection.

Prospective investors in fire protection usually, and rightly so, wish to know what they may expect in return for money spent on fire protection in the way of reduced insurance rates. It is not reasonable to expect the entire burden of cost to be borne by the insurance premium. A part of the money spent should be charged against protection. Statistics show that only about 50 per cent of value destructible by fire is covered by insurance. On this basis it is not fair to expect more than 50 per cent of the interest and payments on bonds to be met by reduction in premiums. Taking into account the further consideration that loss of business is often of greater consequence than the tangible property loss, the proportion of expense rightfully chargeable against insurance cost is still further reduced.

Boards of underwriters do not, however, limit themselves to this consideration in granting reductions for improvement in fire protection, such reduction being based entirely on the decrease in physical hazard in accordance with a uniform schedule. These boards pursue a very liberal policy in this matter and encourage, by substantial recognition, any real improvement of conditions.

CONTINGENT PROFIT TO LOCAL AGENTS

*A Paper by Edward E. Potter, General Agent Glens Falls, San Francisco,
Read at the 37th Annual Meeting of the Fire Underwriters'
Association of the Pacific*

Having but a limited time at my disposal, as I am about leaving for the tropics for the winter, I regret that I have not the time to give more deliberation on the subject "Contingent Profits to Local Agents."

Forty years ago I would have responded with great alacrity to your request for a little contribution to the annual session, feeling then that I was fully competent to educate the whole insurance fraternity from the writing of a daily report to the adjustment and payment of the loss. At the present time I feel that I know very little. Perhaps before another forty years roll around, I will be able to tell you at least all about fires; for safety I shall take with me a couple of asbestos suits.

If I remember correctly, many years ago Mr. Geo. T. Hope, of the Continental Insurance Company, advocated the payment of contingent commissions to all agents. At that time I made some figures which convinced me that it was not feasible to general agents working on commission and a contingent. In the first place, in small agencies where a loss would more than eat up the agent's annual premium, there was very little inducement for him to switch his business to the company that was paying him a flat commission of twenty per cent, instead of fifteen and ten per cent contingent, and this could be avoided only when he was working for all his companies on the same terms. This would not prevent switching to a company with no losses, consequently all the companies would have to pool the agents' losses with agreement of agent not to switch. I also found that with say one hundred agents, I might lose enough with twenty-five of them to swell my loss ratio so that I would make no contingent for myself and yet have to pay a contingent to the seventy-five agents having no losses, thereby giving me a double loss, i. e., defeating my contingent and increasing my expense ratio and decrease my premiums from switching agents. We might quote an extreme case, say with one hundred agents and \$100,000 premiums with a Long Beach conflagration loss of \$60,000. This would leave the general agent no contingent and yet he would have to pay contingent to all of his agents having no losses.

AN ILLUSTRATION.

Flat Basis—

100 agents average 1,000 premiums each, \$100,000 at 15 and 20 per cent commission, average 17½ per cent commission.

Flat and Contingent—

100 agents average 1,000 premiums each, \$100,000 of these.

25 " " 1,000 " " \$ 25,000 com. 15 per cent, \$ 3,750.

75 " " 1,000 " " \$ 75,000 " 15 per cent, 11,250.

75 " " 1,000 " " \$ 75,000.

Less 15 per cent commission, \$11,250, net for contingent, \$63,750 commission 10 per cent, \$6,375.

Aggregate commission \$21,375 or 21.375-1000 per cent commission.

These figures speak for themselves.

New Fire Hazard in Great Britain

The unexpected has happened. In staid old England the militant suffragists have adopted a new weapon in their war for the ballot. It is arson. The fire underwriters of England are confronted with a new hazard. Already, unoccupied dwellings as well as public buildings have been fired by the skirmishers in the army of Equal Rights at the Ballot Box, and a cablegram says that occupied dwellings are next to be fired "as an act of war" and not as arson. When the whole suffragist army begins firing, the fire underwriters will have to cease writing until women are given votes or until the army is put in jail.

San Francisco Water Company Agrees to Condemnation

An agreement between the officials of the Spring Valley Water Co. and the authorities of the City and County of San Francisco permits early condemnation proceedings to be brought to determine the price to be paid by the city for that part of the company's holdings required for water supply purposes. A jury is waived and the proceedings will be heard by three members of the superior court bench of California. Each side reserves the right to appeal from the findings of the court.

T. H. Williams, the new assistant manager of the Pacific department of the American and the Rochester German Underwriters Agency, has been a special agent and adjuster in this field for twenty years and has represented the strongest companies like the Sun and the German American. He is an authority on fire insurance law, and his papers on court decisions have been in pamphlet form and have had a wide circulation. Applications for copies come from all parts of the country.

The New Zealand in 1912 added \$250,000 to its reserve fund and \$25,000 to its provident fund. Dividends to stockholders were \$206,250. The total income was \$3,569,095 and the total outgo \$3,240,415.

Surplus line business is about nominal now in California, as shown by the table on

page 146 of the March Coast Review. The total net surplus premiums (fire, marine and miscellaneous) are only about \$84,000.

California Will Promptly Pay All Losses Incurred Under Its Reinsured Eastern Policies

The California reinsured some of its Eastern business in the American Union, a company now in rigor mortis. The California has notified its former agents in the East that all losses under its policies reinsured in the A. U. will be promptly paid by its Eastern office.

The Union Marine is seeking an extension of its powers to include fire insurance, loss by interruption of trade, damage to property on land or water, by fire, lightning, explosion, storm or flood, or by damage resulting from sprinklers, pumps, water pipes, plumbing, or other appliances intended to extinguish, notify or prevent fire; also to carry on accident and liability insurance; and to effect insurance on automobiles, motor cars or wagons, aeroplanes, flying machines, dirigibles, balloons, and air craft, against damages arising from collision, fire, accident or other cause; and insure against theft, seizure, violence, damage, diminution of value or other contingency; and to insure horses and other livestock against disease, sickness, accident or death; and to reinsure and accept liability undertaken by others; and to guarantee the solvency of any underwriter or insurer; and to carry on every kind of insurance except life.

Years ago an Oregon court ruled that an insurance agent on commission is not guilty of theft if he fails to turn over the money he collects, for a part of the money he collects is his own and his contract with his principals is in the nature of a partnership. This is also true of a broker. It was recently necessary for a New York lawyer to call attention to this fact.

The Alliance leads in London city risks; the Sun is next, with \$574,090,000 insured. The total for 115 companies is \$5,500,000,000; and for underwriters at Lloyds, \$135,000,000. They all contribute \$195,000 for the support of the Metropolitan fire brigade

ACCIDENT, CASUALTY and SURETY

No Ambulance Chasers Wanted—State Liability Insurance Measures are Condemned

[From the Poughkeepsie News Press]

Apparently the ambulance chasers have lost out in their efforts to saddle on the state of New York a law deceptively called "State Insurance" for workmen's compensation, but which should really have been called "An act to promote ambulance chasing." It was attempted to do this through the proposed law known as the Murtaugh-Jackson bill. The negligence lawyers saw their opportunity and were so eager to have the law passed that they actually had the boldness to appear before the legislative committee and advocate its passage. This incident, probably more than anything else, awakened the employers of the state to the true significance of the situation. Upon a little inquiry they discovered that it was proposed to saddle on the industries of the state of New York a scheme which had been abandoned in Ohio, after a trial of more than a year, and which has been condemned by the best authorities everywhere. Individual employers, trade associations, chambers of commerce, public officials and commissions all over the Union who have made a study of the subject based on experience, have condemned unqualifiedly the scheme which it was proposed to put in effect in New York. Probably no delegation ever appeared in Albany with so much real weight behind it as that which appeared before the committees of the Legislature at the joint hearing on February 19th. Every chamber of commerce and important commercial body of the state of New York was represented, as well as some national associations. Large individual employers of labor, including those who had never carried any insurance whatsoever, appeared and earnestly protested against the adoption of any such plan as the Murtaugh-Jackson bill, on the ground that it would be a real menace to the industries of the state. A number of labor leaders also earnestly opposed the bill.

About the same time the Connecticut State Commission on Compensation for Industrial Accidents issued its report after careful consideration of the subject and condemned, without reserve, any form of state insurance based on the abandoned Ohio or the Washington plans.

The Industrial Accident Commission of the state of Pennsylvania, which is composed of some of the most enlightened men in the United States also has issued its report disapproving any scheme based on a political commission such as has caused so much dissatisfaction in Ohio and Washington.

In the state of New Jersey where the compensation law has been in operation nearly two years, the Employers' Liability Commission, appointed solely for the purpose of watching the operation of the law, has also condemned the state insurance scheme and advised the legislature of New Jersey that the act is working smoothly and satisfactorily to all parties and for that reason no substantial change should be made. Of the five commissioners in New Jersey two are labor men appointed on the nomination or organized labor organizations.

The Industrial Accident Board of Massachusetts, which is composed of men of experience, ability and public spirit, has also condemned the monopolistic state insurance plan.

The Industrial Accident Board of the state of Michigan, also composed of men of experience and ability, has likewise condemned monopolistic state insurance schemes. Moreover, in Michigan a permanent association has been organized by employers and workmen representing all classes of both, which has for its object the prevention of modifications in the Michigan law which is now working smoothly and satisfactorily to employers and workmen alike.

In New York, former Superintendent of Insurance William H. Hotchkiss has condemned the Murtaugh-Jackson bill and all schemes of that ilk. The views of Mr.

Hotchkiss were recently published in "The Outlook." The present superintendent of insurance of New York, Hon. William Temple Emmet, also believes that state insurance schemes as represented by the Murtaugh-Jackson bill would be a serious menace to the industries of the state and has condemned such schemes in unqualified terms.

In Ohio the law which was proposed for New York was practically a dead letter from the start, in spite of the tremendous efforts made by the political Liability Board of Awards to bolster up the law. During the time that it was in effect only one out of twenty-five employes of the state was protected under it. Moreover, according to figures presented by the Chairman of the Board it costs the taxpayers of Ohio \$2.60 for every dollar which was put into the hands of injured workmen or the dependents of those who were killed. That law is about to be repealed and a more comprehensive measure passed giving employers the right to carry their own insurance or secure the payment of the compensation in other ways.

In several Pacific Coast states a protective committee, which is supported by both employers and workmen, has been organized to prevent a few politicians from taking over the workmen's compensation plan for their own aggrandizement on the Washington scheme, which is a public scandal.

New York is lucky to have escaped having had this scheme saddled upon its industries. The people of the state did not really awaken to the seriousness of the situation at first, as they did not understand the real significance of the Murtaugh-Jackson bill, nor did they have the slightest idea that any such bill had the slightest chance of being accepted. Now that the true situation is known the citizens of the state generally can congratulate themselves that they have escaped the deadening effect which any such law would have had upon the industries of the state and the prosperity of the citizens generally.

With the situation thus clarified the legislature now is free to pass a reasonable and equitable workman's compensation law

allowing various options to the employer as to his method of carrying the risk and such a method seems to have been best developed in the modified Foley bill as presented by the insurance committee of the senate.

Surety Business

The address of Vice-President Richard Deming of the American Surety in the New York Board rooms on Monday evening was a masterpiece as showing the wide ramifications of the surety business. Mr. Deming is one of the best informed men in New York City on all forms of surety and fidelity bonds, and this was very evident from the scholarly paper he read. Mr. Deming traced the origin of the surety system and referred to several instances in Bible times, which might well be considered the beginning of the idea of indemnifying.

He showed the danger of personal bonds, which have been greatly stopped by corporate surety protection and quoted several important cases to prove his point. The insecurity of personal bonds is a matter which may well be called attention to for the benefit of brokers, as many fire and casualty brokers neglect to solicit their customers' fidelity and surety business. This is a good field and the financial returns to the solicitor are equally satisfactory. This is not what Mr. Deming said directly but it shows his idea about it. Mr. Deming said, however, that previous to 1870 a casualty company was organized in England, which wrote surety undertakings, but that the Guarantee Company of North America was the pioneer of this business. The Knickerbocker Casualty Company, now the Fidelity & Casualty, came later, and the American Surety in 1884.—The Surveyor.

Surety In Court

Under the terms of a bond executed on behalf of a foreign insurance company, conditioned for paying all of its lawful obligations to any citizen, a policyholder was not required to present his claim to the receiver of the insurance company before suing on the bond, on the company's failure to pay according to the policy.—*Southwestern Surety Ins. Co. v. Anderson*, 152 S. W. 816.

LIFE, CASUALTY, ETC.

Workmen's Compensation in California

The governor's favorite measure, "to curb the rapacity of the greedy liability companies," the state industrial accident board's workmen's compensation accident bill, amended to permit farming by excluding farm laborers and domestic servants from its "benefits," will become a law. The employers and state industries will be up against the real thing, the tyranny of labor unions, for injured employees must be paid 65 percent of their weekly wages. An I. W. W. or an S. or other anarchist who wouldn't injure himself for idleness and such a sponser is no worthy member of nor true sympathizer with an Iwon'twork society of bums.

Explosion of Steam Boilers

A policy insuring steam boilers against explosion construed, and a loss caused by the explosion of three boilers held due to one explosion as the proximate cause within a provision limiting the insurer's liability "resulting from any one explosion."

More than one-fifth of the accident and health business of California last year was written by the Pacific Mutual Life.

The Frankfort General leads in workmen's collective business in California.

The Fidelity & Casualty leads in plate glass premiums in California.

Federal Government Sues Surety Co.

The National Surety Co. has been sued in the federal district court at San Francisco by the national government, for \$7,364. The defendant surety company bonded the J. L. Mott Iron Works, which failed to complete a plumbing contract.

Enormous Flood Damages and No Insurance

Unusual rains and the breaking of dams created floods over a wide area of country in the Ohio valley, extending into populous cities, undermining buildings, ruining merchandise and household goods, carrying small frame buildings off their foundations, and covering everything deep with mud. In some stores the water stood for hours level with the ceiling. During such floods the rivers and streams have the speed of a racer and are yellow, brown or black in color, according to the soil overflowed. There is no flood insurance, because as a rule it is the same territory, and a narrow area at most, that is periodically overflowed. The Miami flood is an exception.

To Merchants

Times are rather quiet now and you are going to let out some of your clerks—for a time at least. We suggest that you recommend them to take up life insurance soliciting and identify themselves with some established agency or correspond with some company whose card appears in this journal.

Business of Assessment Life and Accident Insurance Transacted in California During the Year Ending December 31st, 1912

Company	Certificates in Force		Certificates Issued		Certif. Terminated		Certif. in Force		Net Prem. or Assmnts.	Net Losses
	Dec. 31, 1911		During Year		During Year		Dec. 31, 1912			
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	Recd.	Paid
California Accident Ass'n	..	\$. . .	2,275	\$. . .	784	\$. . .	1,491	\$. . .	\$12,067	\$4,296
Guarantee Fund Life Ass'n	..	300,000	..	1,918,000	..	178,000	..	2,040,000	11,176	..
Masonic Mutual Acci. Ass'n	398	150,126	114	42,978	284	107,148	2,392	1,039
Merchants Life Association	16	32,000	87	174,000	27	54,000	76	152,000	2,599	..
National Life Association	89	203,000	12	25,500	77	177,500	863	1,000
Sunset Assurance Ass'n	..	441 38,700	1,988	195,400	334	26,500	2,095	207,600	11,810	7,567
Western Life and Accident	368	186,250	44	66,350	324	119,900	2,580	2,553
Totals	..	457 \$370,700	5,205	\$2,826,776	1,315	\$393,328	4,347	\$2,804,148	\$43,376	\$16,452

The Rocketing Rhodus Brothers

The latest of the bluesky rocket schemes of the ill-famous Rhodus brothers, the Central Life Securities Co., in the hands of a receiver since 1908, is now about to fall to earth. The federal court at Chicago says the assets must materialize, debts be paid, and the balance be repaid pro rata to the holders of the \$1,250,000 preferred stock. It was a scheme bold to hold and mold the Republic Life and five sweet virgin Arizona companies and a few innocent mining companies.

Year's Exemption Begins With Date of Policy, Not With Issuance

Insured applied for insurance on May 21, and on June 24 signed an amended application. On July 6 the insurer issued the policy sued on, dated May 22. A year later, on May 21, the insured paid the second premium, and a few days later, on June 12, he committed suicide.

The supreme court of California held that the expressions "date of this policy" and "issuance of this policy" were not in ordinary acceptance synonymous, and that the word "issuance" standing alone would probably mean either the signing (without delivery) of the contract by the insurer's officers or the delivery of a fully written and signed policy, and that from the entire policy, read in the light of the circumstances, the risk commenced May 22, so that, as insured did not commit suicide within a year, the insurer was liable. *Anderson v. Mutual Life*, 130 P. R. 726.

Companies represented in the Association of Life Insurance Presidents are: Aetna, Bankers Life of Neb.; Berkshire, Canada, Colonial, Equitable, Fidelity, Franklin, Germania, Home, Illinois, Metropolitan, Mutual, National of U. S. A., New England, North American, Pacific Mutual, Prudential, Security, Travelers, Union Central, United States, Volunteer State.

The Home Mutual of Kansas writes policies at a non-participating rate but guarantees participation in earnings. The non-participating companies will now have to retire from Kansas in the face of such com-

petition. This new policy also, by a rider, returns to the insured one annual premium. The first year's premium is paid by an interest bearing note, due in one year; but due date is extended one year if the second premium is paid; if the third annual premium is paid, the note is returned as null and void.

1667 Life Bills, But All the State Life Schemes Have Been Defeated

That the crest of the legislative flood of 1913 is now receding was indicated by the reports made at the bi-monthly meeting of the Association of Life Insurance Presidents on Friday, the 4th instant. It was stated that twenty-one legislatures had adjourned and that of the twenty still in session several were approaching adjournment. A number of the more important legislatures now in session, however, are not expected to adjourn until June 1st or later. Florida is scheduled to begin a session on the 8th instant, and Georgia on June 25th. Oklahoma's regular session has adjourned, but a special session is now being held. Texas, which adjourned a few days ago, will hold an extra session beginning July 21. Up to April 4th the number of bills received and examined by the Association since January 1st was 1667. It was reported that up to the date of the meeting, none of the twenty-five bills introduced in thirteen states during the winter to create state life insurance funds had been enacted into law.

Life premiums last year in U. S. A. increased about 7 percent; new business increased about 15 percent; insurance in force increased about \$1,000,000 or 7 percent. It is not believed that this record will be equaled in 1913.

Burglary and theft insurance has always been problematical as to profit. It seems as if a company staying in the game long enough must lose out. There is said to be a larger number of burglaries than fires in every large city. In California last year these companies lost money under their burglary-theft policies: Fidelity & Casualty, New Amsterdam, New Jersey F. & C., Pacific Coast Casualty and Pacific Surety.

Continental Casualty Co. Criticised

The New York state insurance department has been considering complaints against the Continental Casualty Co. by dissatisfied complainants. The evidence was so strong that the president of the company went to Albany and conferred with Supt. Emmet and promised that the practices complained of shall be discontinued.

Life Men in Trouble

The former president of the General Founders Co. of Chicago and of the Michigan State Life, Fred Apps, disappeared when the latter company merged with the Lincoln Life of Indiana. Stock of the Founders Co., which had a general agency for the Michigan company, had been sold to 1200 scattered scatter-brain people. This stock was divided into common, first preferred and second preferred. The selling Allen Brown Co. has collapsed and Brown is away on a still hunt for green fields. The two men were brothers-in-law. The stockholders are good uncles who may recover 50 cents on the 100. In California there are and have been similar agency stock-selling schemes. Formerly the State Life of Indiana agency had one and operated it with the consent and co-operation of the home office people.

The Prudential of England pays over \$13,436,700 death claims a year in its industrial department. Its industrial premiums are \$38,962,800 a year. Commissions to industrial agents, including salaries to collectors, \$7,396,245 a year or 19 percent. The ordinary department received \$24,135,000 paid premiums and \$1,291,350 commissions or only 5.2 percent. The number of industrial policies in force is 19,140,743; their average duration exceeds twelve and a half years. This is the greatest number of policyholders in one company. The expenses of the industrial branch were 34.4 percent of the premiums.

The head of California's industrial accident compensation board seems a bitter Pillsbury. This state's man's arguments are so amusing that we must characterize

them as relaxative. Can anything be more ridiculous than his assertion that the farmers would be benefited and will welcome a law making them liable every time a horse steps on the hired man's big toe or the cow swipes him in the eye with her tail of woe at milking time.

Rebating

In the course of a letter to the New York state insurance department President Dryden of the Prudential Ins. Co. says:

"At various times, as opportunity offered, we have made it clear that this company is emphatically opposed to the rebate of insurance premiums; and we firmly believe the Prudential force is in hearty sympathy with our efforts to stop rebating. They, and we, realize that the man who does the work ought to have proper remuneration for his labors, and not be called upon to divide commissions. In order, however, that there may be no possible misunderstanding in any quarter, we have to say that in case a complaint is lodged at this office against any representative of the Prudential, either by one of our own staff or by some one else, the complaint will be thoroughly investigated, and the services of the offender will be dispensed with if he be found guilty."

This is certainly the only effective way for the companies, alone and together, to deal with an evil which robs, in the end, both the agent and the policyholder.

We regularly print accident and surety news notes in our advertising departments.

Two casualty companies will probably consolidate this year.

Sacramento

A bill to create a state board of steam boiler inspectors and more taxes is mentioned as slated for passage.

Washington

It is probable that the income tax will be 1 percent on \$4,000 and over, with a rising upward tax on higher salaries and incomes. The officials of the government will have the right to collect the tax direct from insurance companies and other employers.

FIRE INSURANCE

Assignment of Fire Policy

An assignment of the proceeds of a fire insurance policy need not be accepted by the company's agent in order to become effective, if the company had notice of the assignment.—*Prentice v. Security*, 153 S. W. 925.

If the assignee of the proceeds of a fire policy had no knowledge of fraud by the insurance company in adjusting the loss with insured, another claimant to the proceeds could not rely upon fraud as against such assignee.—*Id.*

Fire Underwriters Scored by Non-Underwriters

The special grand jury which has been investigating the arson trust at Chicago, returned fifty-nine indictments against fifty-six members of the "trust." Having been reading a sensational New York weekly, the jurors took a whack at the insurance companies, declaring that 50 percent of Chicago's fires are incendiary in their origin, because underwriters are lax in examining insured property and are never vigilant after a policy has been granted. These foolish jurors do not know that owners are the best judges of values, and that the cost of needless special examinations of property by experts would add greatly to the cost of fire insurance.

Million Dollars The Fire Loss at Dayton

Unusual conditions were responsible for burning of a number of buildings in Dayton, O. The papers are teeming with particulars and we need only mention the bare fact of a flood many feet deep in the streets of the business district, and a fire department consequently helpless. Probably a fire boat could not have stemmed the debris covered, surging waters. The fire loss is now estimated as not less than \$1,000,000.

Inventory.—Provision of policy requiring insured to take a "complete, itemized inventory of stock on hand," held not to require that the cost or value of the articles

listed both in detail and in total be shown.—*Hartford Fire Ins. Co. v. Walker*, 153 S. W. 398.

Chicago fire companies do not have the confidence of property owners. Not one survived the 1871 fire; and the conduct of the Calumet and the Traders after the 1906 fire confirmed the ill repute which seems to deny prosperity to the several existing Chicago fire companies.

The late Banker Morgan was an underwriter in an old Lloyds. His father was one of the directors of the Hartford Fire. Mr. Morgan at one time had under consideration the organization of a huge fire company, operated on new lines, with say \$25,000,000 capital and as much surplus possibly. Expert advice persuaded him to give up the plan. We have been expecting Standard Oil Capitalists to take note of the 40 percent expense ratio and organize a \$50,000,000 company with salaried agents and a 20 percent expense ratio. Such a company, if successful, would destroy the American local agency system as now organized. Let us hope the superfluous-money men will not get engaged in the gamble of fire insurance.

From Omaha not yet comes any report of the fallen building clause in the consideration of the few tornado fire claims; and from Dayton not a word to the effect that flood-fire hazard was not calculated in the rate. Omaha, by the way, looks worse for the tornado wear than San Francisco for the earthquake.

The California sent \$250 for the relief of the Dayton sufferers and ordered all fire losses to be paid as soon as adjusted.

All policies in the American Union were canceled automatically by the appointment of a receiver.

California.—Twelve years for arson is the sentence of the court against Leopold Waldo, of San Francisco, who started a fire and endangered human life, Oct. 13, 1912.

Examination of the Defunct American Union

From the insurance departments of New York and Pennsylvania we have received a copy of the official report of the examination of the balloon American Union of Philadelphia, made at the instance of the National Convention of Insurance Commissioners.

At the beginning, the examiners unearthed rottenness. An agreement was entered into between the company and certain wealthy directors to advance \$200,000 to defray the cost of reinsurance and the liquidation of all obligations.

This was on March 7, and three days grace was given. But the directors flunked; they had a yellow streak, and instead of advancing money they applied for a receiver.

Present State of the Wreck

The examiners found as of March 1 this state of the company's affairs: Admitted assets, \$890,703; liabilities except capital, \$1,007,522, and including capital, \$1,507,522. The deficiency was \$616,819 (at least).

The sworn statement, two months before, claimed the capital intact and a surplus exceeding \$40,000. This discrepancy is explained only as caused by the perjury of some of the officers.

Figures Were Juggled

The examiners say: The assets were overstated and the liabilities understated; accounts were juggled; cash balances were credited that did not exist; agency balances were improperly set forth; the loss liability was \$80,000 short; unearned premium liability was understated by \$100,000; loans were effected prior to the first of the year and repaid subsequently which never appeared on the books.

In short, the officers were incompetent and dishonest.

50 Per Cent Commission for Reinsurance

The business of the Monongahela of Pittsburgh was purchased for \$380,000, without commission. But notwithstanding the terms of the contract the books of the company show that a commission of 50 per cent of the unearned premiums, amounting to \$123,034, was paid out in addition to the \$380,000, or an apparent disbursement of

some \$500,000, irrespective of the unearned premium liability payable to policyholders of \$246,069.

The books do not show who was the beneficiary of the \$123,034 commission.

The Illinois Reinsurance Not in the Books

In August, 1911, the A. U. reinsured the American National of Rock Island, Ill., assuming the unearned premium liability of about \$177,000, but did not report it in its annual statement for 1911, and did not enter this business in its books until July, 1912, and then, only in the small sum of \$25,000.

This crooked company, though only two years old, did business in over forty states and was represented by probably more than 1,000 agents. Of its agency balances of \$458,351, the sum of \$170,591 was more than 90 days old. This sum is not admitted as an asset, and we doubt if much of the other sum of agency balances will ever be collected.

Only the Policyholders' Unearned Premiums May Be Paid

The actual assets may not exceed 50 per cent of the gross liabilities. All the capital is gone, and if the preferred creditors, the holders of unearned premium claims, are paid in full, the remaining assets will about pay the expenses of the receivership and leave not a dollar to pay the

Unpaid losses, - - \$173,255
 Due for reinsurance, 129,023

This journal is happy to say that it has no claim to file with the receiver, for it never solicited an advertisement from the company.

The Standard Fire Ins. Tables, 1903-1913, by the Standard Pub. Co. of Boston, contains besides ten years company figures, ten years totals of the companies, showing in nearly all cases a loss as regards underwriting profit. The Williamsbury City, which had light 1906 losses has lost \$1,679,154 on underwriting in ten years. Foreign companies show an underwriting loss of \$11,707,502 in ten years in this country.

Over half the principal fire companies of this country report an underwriting loss in the past ten years.

New companies retire rapidly to the rear after the first fire and quickly disappear, but new volunteers, quite free from fears, come to the front and bear the brunt of losses dire by dreadful fire. We regretfully write of the losses in the fight—of the companies dead, but it's no sooner said than we must tell of more new companies doomed to—well, perhaps only to high finance and later re-insurance.

In a letter to The Surveyor, defending the rather absurd application blank of the New York state insurance department, Deputy Hoey says: "The business of insurance has grown so tremendously and is now so generally recognized as an essential safeguard in every business enterprise; that the men who solicit insurance should have some other qualifications to commend them than the fact that they have been failures in every other business to which they had heretofore been engaged." We have heard something like this before

The collapse of a new going concern—the American Union of Philadelphia—needs some explanation other than dishonesty or incompetence. What were the chief reasons for failure? The initial expenses were very high and the first year's losses were excessive, followed by heavy losses in the second and last year. It wrote too much "ill-digested" business for a new company, writing each year more than a million, made up largely of the taken over business of unsuccessful companies. Moreover, by making its general agents stockholders, the company sailed like a ship without a rudder and took aboard cargoes of doubtful miscellaneous business because it had to.

Good Evidence That Fire Insurance Is Not a Money-Maker

Have you never noticed that our fellow citizens of Hebraic descent, who have a nose for every profitable undertaking, do not engage in fire insurance as organizers of new companies nor as investors in their stocks? At least, this statement is true as regards this country. Five percent annual profit *for the surviving companies* has no attraction for these astute business men.

When next you hear talk of the "enormous profits" of fire underwriting, casually advance this argument and observe the immediate cooling effect on the heated imagination of the too previous speaker.

"Insurance journals always mention a company's 'good year' but are discreetly silent as to its bad year."—Coast Review.

What would you wish? Something like this: We are pleased to observe that the —— Insurance Co. had a rotten year last year and that its notoriously poor management is reaping the fruits of its incompetency."—The Surveyor.

At the trial of a public adjuster in New York he testified that his net income from fees or charges was \$25,000 a year, by adjusting \$400,000 losses a year. He had four offices and daily rented automobiles. And now this good man is charged with being a member of the "arson trust."

United States Manager Richard has called a special agent and an assistant general agent to the home office in New York city, where they are promoted to a general agency.

The Seneca Fire of Buffalo is the latest hopeful with money to burn.

An Extraordinary Wreck

A loss so peculiar as that of the German bark Mimi, at Bay City, Or., April 6, is worthy of record. The vessel went ashore on the beach in February, and at the time of the disaster a wrecking company was engaged in pulling the Mimi into deep water. A high sea was running, and the little ship was without ballast. Some twenty-two men were aboard, and among them was Capt. W. A. Crowe, representing the marine underwriters. On reaching deep water the Mimi turned turtle, imprisoning crew and visitors. Vain efforts at rescue were made. Finally four men were saved; all the others, including the marine underwriters' man, were drowned.

Automobile Skin Game at Sacramento

The investigation of the office of the California secretary of state reveals a state of nepotism and favoritism. The secretary has been looking after his relatives' interests more than those of his employer, the state. For a consideration of \$60 a month, paid to a female relative of a female relative, lists of licensed new automobile buyers were handed to automobile insurers; but it later transpired that there was duplicity, as the young lady clerk, doubtless for a higher consideration, had given the lists first to an automobile inter-insurance humbug, which had an office next to that of the secretary of state, with only a railing between. As soon as a license was issued, the female clerk passed the name and address of the licensee over the railing to the agent of the humbug; and moreover, she kindly, for a consideration of course, advised the automobile owner to insure in the moneyless inter-insurance exchange, because rates were much lower than those of the companies with cash capital.

One enterprising stock company agent ventured to solicit insurance in the office of the automobile club or exchange, it being a public office, containing a branch of the secretary of state, but he was forced to get out. He had not paid the secretary of state for such a privilege.

Not a cent of all the money paid for copies

of the official papers, lists, etc., went into the state treasury.

The office employees, on the witness stand, said they had "loaned" the secretary of state the money paid them.

When the stock companies' agents interviewed the new automobile owners, they found that the Van Alstyne scheme agents had preceded them. Their humbug had been given the names first.

The manager of the automobile insurance exchange is Guy Van Aylstyne, who has been unfavorably mentioned in connection with expensive promotion of a San Francisco insurance scheme, and who was compelled to get out.

The fact disclosed by a survey of the past that majorities have usually been wrong, must not blind us to the complementary fact that majorities have usually not been *entirely* wrong.—Herbert Spencer.

Not Wrong in Itself

Secretary of State Jordan at Sacramento has placed himself and his office in bad light, not by permitting his employees to do some miscellaneous work for automobile men, but by charging extortionately for information due these insurance men, and then taking as "loans" the money earned by his employees. A Los Angeles court official asked for a list of automobile licenses issued recently and was refused it; but quickly he was notified by an auto-list company he could have it for \$100. There was trickery there.

State employees should be permitted, "after hours," to compile needed figures, names, etc., which otherwise could be compiled by the applicants themselves. Public documents and extracts therefrom are for the public, who should be privileged to employ an experienced state employee, or their own, to dig out the information needed.

Formerly the judge of the court of passage of Liverpool was called the assessor. In England an adjuster is called an assessor.

The Vulcan has appointed W. W. Grove special at Spokane.

LIFE INSURANCE

Reducing Premium, 20 Payment Life, Annual Dividend of Manhattan Life

Premiums Per \$1,000

Age	First Year			Subsequent Years		
	Annual	Semi-Quarterly	Quarterly	Annual	Semi-Quarterly	Quarterly
21	\$20.75	\$18.17	\$ 7.74	\$26.34	\$13.33	\$ 6.55
22	20.21	15.41	7.85	26.71	13.64	6.95
23	20.69	15.65	7.98	27.17	13.86	7.06
24	21.20	15.91	8.11	27.60	14.08	7.18
25	21.72	16.18	8.25	28.06	14.31	7.30
26	22.26	16.45	8.39	28.53	14.55	7.42
27	22.81	16.74	8.54	29.02	14.80	7.55
28	23.41	17.04	8.69	29.53	15.06	7.68
29	24.01	17.35	8.84	30.05	15.33	7.81
30	24.65	17.67	9.01	30.69	15.61	7.96
31	25.30	18.00	9.18	31.16	15.89	8.10
32	25.98	18.35	9.35	31.75	16.19	8.26
33	26.69	18.71	9.54	32.36	16.50	8.41
34	27.42	19.08	9.73	33.00	16.83	8.58
35	28.20	19.48	9.93	33.67	17.17	8.75
36	29.00	19.89	10.14	34.36	17.52	8.93
37	29.85	20.32	10.36	35.09	17.90	9.12
38	30.74	20.78	10.59	35.86	18.29	9.32
39	31.65	21.24	10.83	36.65	18.69	9.53
40	32.62	21.74	11.08	37.48	19.11	9.74
41	33.65	22.26	11.35	38.36	19.56	9.97
42	34.72	22.81	11.63	39.28	20.03	10.21
43	35.86	23.39	11.92	40.26	20.53	10.47
44	37.06	24.00	12.24	41.29	21.06	10.74
45	38.32	24.64	12.56	42.38	21.61	11.02
46	39.66	25.33	12.90	43.53	22.20	11.32
47	41.09	26.06	13.28	44.75	22.82	11.64
48	42.61	26.83	13.68	46.06	23.49	11.98
49	44.21	27.65	14.09	47.43	24.19	12.33
50	45.93	28.52	14.54	48.90	24.94	12.71
51	47.76	29.46	15.02	50.47	25.74	13.12
52	49.70	30.45	15.52	52.14	26.59	13.56
53	51.78	31.51	16.06	53.92	27.50	14.02
54	54.00	32.64	16.64	55.83	28.47	14.52
55	56.39	33.85	17.26	57.88	29.52	15.05
56	58.94	35.16	17.92	60.06	30.63	15.62
57	61.67	36.55	18.63	62.41	31.83	16.23
58	64.62	38.05	19.40	64.95	33.12	16.89
59	67.80	39.68	20.23	67.68	34.52	17.60
60	71.21	41.42	21.11	70.61	36.01	18.36

The difference between the first and second year and subsequent years is a guaranteed dividend; but the policy will besides share annually in the earnings and the smaller premium will be further reduced by annual dividends. The new policy is on the 3 percent reserve basis and is incontestable after the first year. Policy loans may be made at the interest rate of 5 per

cent. So we learn from Vice President Roche.

The Idaho Insurance Commissioner

Remarks

The recent change of one of the largest assessment life insurance companies to the legal reserve plan emphasizes the fact that assessment life insurance is a class of insurance requiring more strict regulation than that authorized in this state. The company referred to was one of the best managed and most successful of all the assessment life associations ever organized in the United States, but it discovered, as has every other assessment association existing long enough, that it could not suspend the laws of mortality and that future obligations could only be provided for by collecting adequate rates in advance.

Of 115 assessment life associations doing business in 1893, 102 have failed outright and in most cases with a total loss to policyholders; 8 of them changed to the "old line" (legal reserve) basis; 1 remained on the step-rate plan and the other 4 are still hanging on but slowly approaching disintegration. One of the latter was doing business in this state until 1912 when license was refused.

In view of the past history of the business the department believes that the state of Idaho would be justified in prohibiting the further sale of assessment life insurance in this state. Idaho, in common with action by about thirty other states, has provided for putting fraternal insurance upon a solid basis, and would do its full duty to its citizens if it now required all assessment organizations doing business in this state to put themselves upon

A Like Adequate Basis

or cease business herein. It should play no favorites. Life insurance of any character is mostly procured for the protection of dependent ones and the first consideration should be its security—the certainty that

the widow would be paid. If no more radical action be taken, sections 58, 59 and 60 of the present code, covering assessment life associations, should be repealed and a new law passed covering such associations providing that no more assessment associations should be admitted in this state, nor any domestic corporations of this character authorized to do business, and the business confined to the two companies now doing business in this state during their continuance herein.

Certificates issued in such associations should inform the insured in unmistakable terms of what he assumes on purchasing such contract, viz: The liability of increasing assessments as the association grows older. Such contracts should show that they are issued as annual renewable term contracts and the association should be required to maintain a reserve on the basis of such contract according to the American Experience Table and not to exceed four (4) percent interest.

Insurance by the State is a Failure

How have the "state insurance" nations and states fared in seeking to eliminate the "expense" of insurance? Much the larger part of the expense factor goes in commissions to soliciting and collecting agents. Yet no state insurance plan has succeeded without having agents. Mr. Gladstone tried it in his postal industrial insurance plan of 1865, but the private companies forged ahead in spite of the prestige of the government's guaranty, and the state's industrial life insurance became negligible. Wisconsin has made the same error; so few applications for insurance have come in that the state office has not yet started to issue policies. In New Zealand, where there is free competition between the government and the companies in all the fields, the government has agents on commission as well as the companies. Italy starts off her life insurance monopoly with agents on commission, and compels new business, not by prizes and rewards to good producing agents, but by finding such agents as fail to produce each year new business up to the statutory limits.

But, further, as to the cost. New Zealand and Norway—the former in competition and the latter monopolistic—have reduced the cost. But Norway did this at first at the expense of a heavy deficit, which was made up out of the national revenue. New Zealand began its fire insurance business by cutting rates, with the result that both the government and the competing private companies probably wrote policies at a loss. Italy is wiser, and, in spite of her monopoly, has fixed the state life insurance rates at but a slight reduction from those previously charged by the private companies. Wisconsin offers insurance well under the private rates, but then Wisconsin sells her insurance "over the counter" only, without agents, and, though thus saving, makes success through volume impossible. The states of Washington and Ohio, operating also without agents, further cut the cost by dispensing with that mere nothing, to them, reserves; thus, to an extent, charging the future with the compensation for work accidents of the present. In Norway the reduced cost has been accomplished at the expense of an unjust distribution of the economic waste from work accidents, all employers paying into the state fund at a flat rate per trade, irrespective of the safety appliances or inspections availed of by individual shops. But the notable fact is that in socialistic New Zealand, where state life insurance has been the rule for more than forty years, where the state uses all the business-getting methods of the private companies, and where the state office enjoys a monopoly in the insurance of all civil servants, the private companies are slowly forging ahead in the percentage of insurance written, and, through the "selection" due to their larger number of new policies, are gradually overcoming the lead of the state as to cost. State insurance thus far, where social insurance is not essential to the general welfare, is but another teaching of the old lesson that government usually does its business less cheaply than do that government's citizens and corporate creatures.—Ex-Supt. Hotchkiss in the Outlook.

\$413,000 Written in Washington in March by the Northern Life

The work of the agency force of the Northern Life Ins. Co. of Seattle was dedicated in honor of the second vice-president, T. M. Morgan, and the general manager, D. B. Morgan. Every application for insurance sent in during the month—all from the state of Washington—was inscribed "T. M. and D. B. Month."

The amount of new insurance written by the company's field forces for March reached the total of \$413,000, making this March business the largest in point of business production of any one month since the company's organization.

By the way, January 1913 produced the largest January business, and February 1913 the largest February in the history of this well managed company.

A federal court has ruled that the Knights of Pythias have a right to increase rates.

Extraordinary Business Written by a California Company in Its First Year

Office of Vice-President California State Life Insurance Company, Sacramento, March 31, 1913.

Mr. E. H. Bacon, Mgr. The Coast Review,
San Francisco, Cal.

My Dear Sir:

We are just in receipt of your favor of the 29th inst., and beg to thank you kindly for the suggestion that perhaps we have erred in our calculations.

Our reports here are made to the insurance commissioner of this state the same as other insurance companies make them. Our books are open to inspection to him, to you and to the general public. If we have erred, we should be severely criticized for it. The fact of the matter is we just simply wrote this business, and really we are getting "peev'd" for being called upon to defend ourselves among insurance men. The writer has been in the business a long time and believes he has a fairly good working knowledge of the usual ethics, customs and practices of the business. This is the first time in my experience that I ever encountered such feeling over a company's

progress. It is the first time that I ever found competitors sending out literature concerning one particular company, calling that company by name, and sending a lot of pin-headed agents, who can't write \$25,000 a year, around over the country attempting to discourage—not our prospects—but our policyholders, who have paid real money for their policies. Prospects belong to anyone, but my education has been along the line that taught me to believe that policyholders belong to the company that issued the policy. You must realize that in writing the amount of business this company wrote in its initial year that we have been very busy here, and busy people dislike to be compelled to take their time answering a lot of disgruntled, jealous, selfish and incapable critics. I think Mr. Cooper will tell you that he hasn't a doubt our report to his office is correct. If he did doubt it, he would have a man up here to look over our books.

This company would like to cooperate with every company and insurance man on the Pacific Coast to the end that such cooperation is valuable to all concerned: but we don't have to have this cooperation to get along, and we will prove it again this year. We wrote a half million of paid-for business in the state of Nevada last year. We have also been informed that that is a physical impossibility, but it is like the man in jail, whose lawyer told him they "couldn't put him in for that" but who replied that he seemed to be there.

Should you be up this way, Mr. Bacon, we will certainly be glad to have you call at our office. You will find we are ordinary human beings here, and haven't any of those horns sprouting that you might expect. Please do not understand that I think every insurance man on the Pacific Coast is to be criticized. I don't.

Very truly yours,
Vice Pres. & Gen. Mgr.

In this issue, in our second advertising section, we print a full page posterette for life men, merely as a suggestion for an advertisement, a window sign, or a personal card.

The Life Insurance Policy Will Continue to Improve

The last word has not been written in the life insurance policy form. Today the contract furnishes a diminishing amount of protection because of the cash loan and cash surrender value provisions. Formerly the contract was defended because it created a definite fund for the protection of the family—a fund not to go into speculation nor lent nor spent; but now the decreasing insurance element—the difference between the increasing reserve and the face of the policy—is the only insurance which the continuance of the policy guarantees.

It is said of some men that they are morally so upright that they lean backward; and it may be said of the present day life policy that it is so liberal that it leans backward, away from the family and over the precipice of lapse.

It may be argued that a policyholder owns the reserve on his policy and should have the right to do with it as he pleases; that he is of age, knows what is best for his family, and may invest the reserve better than those who will come after him; that if he is bent on speculation or investment, he will give up the insurance anyway. Let us grant all this. Then we are confronted with the need of new policy forms, which will best protect the family when it most needs protection. Men who insure will never accept the old policy forms, with their narrow and inflexible conditions.

The companies must devise and promote contracts which will protect the young family and guarantee a larger insurance element with as much certainty as now, even if it be necessary to reduce this insurance element in after years when it has ceased to be of as much importance.

Life insurance men should rather anticipate state life insurance possibilities, and head them off, by devising perfect family protection policies applicable to every condition and circumstance of life, and including pensions among the options.

Behind all these appeals for government

action and ownership, however socialistic, there is some basis in reason. Men are less discontented because they are poor than because they know they may be poorer.

San Francisco Life Ins. Co. Annual Meeting

The annual meeting of the stockholders of the San Francisco Life Insurance Company was held at the home office on the afternoon of April 15th. The board of directors was re-elected, and also the following officers:

Gen. John A. Koster, president
 E. D. Roberts, first vice-president
 F. V. Keesling, second vice-president
 Victor Etienne, Jr., third vice-president
 I. A. Ewing, fourth vice-president
 Gordon Thomson, secretary and actuary
 Geo. D. Clark, treasurer

Q.—What is the par value of the stock of the Western States Life Ins. Co.? What is it worth?

A.—\$10.00; the "par cost" was \$25.00, though the promoters sold it as low as \$18.00, we are told. The "worth" of the stock is problematical, depending on when dividends will be paid and how much more of the decreasing surplus will be spent for new business. \$10.00 or \$11.00 is asked for the stock of this company and \$9.00 or \$9.25 is offered. The business on the books and the plant have some value, of course, but these values cannot be included in the official or quotable assets.

Bankers' Life Election

At the annual meeting last week the Bankers' Life of Des Moines re-elected the officers and made C. C. Blevins superintendent of agents.

The proposal to advertise life insurance in the principal papers of the country, the cost to be defrayed by the companies according to volume of new business written, certainly has some merit. Such advertising, if properly done, would facilitate the work of the solicitor; for there is still vast ignorance of the benefits paid yearly by the companies, and of the nature and security of the contract of protection.

INSURANCE OF ALL KINDS

Marine Safety Progress is Slow

On board ship a dog can smell land that is near but invisible. He runs up and down on the ship-side nearest the land and barks joyfully.

Man, with his boasted intellect, has not yet devised any instrument which will record the nearness of land and thereby warn the mariners. Man is therefore not equal to the dog in this respect.

We read, however, that a college professor has devised a marine alarm bell which will ring when a ship nears shore or shoal. He has found near-shore surface waters cooler than farther out. The change in temperature rings the bell.

Backbone in Missouri?

The members of the Western Union are on record as resolved to discontinue writing in Missouri, where a crippling and prohibitive law has been passed. It is announced that the members of the Western Bureau will make a similar resolution, and that property-owners in Missouri will be left with little fire loss protection and that only of an inferior kind.

Business in this Missouri river state has long been unprofitable, and the new law makes it impossible to do a profitable and honest business.

Will the companies stick? Is there any backbone in defense of principle where greed may hope to steal a profit by getting and keeping on the books at a loss business which may pay in the future? If the companies don't stick together they may as well gracefully prepare to have the state succeed them in time.

Field Men's Notes.—Rollin M. Kelley has been appointed special agent of the Scottish Union & National and State Assurance companies and will cover the bay and coast counties of California. Chas. F. E. Niemann, late manager of the insurance department of the Ben Leonard Company, Sacramento, has been appointed special agent and will

cover southern California and Arizona for these companies vice Hy. T. Beauty resigned. John H. Fuller continues with General Agent Fores' department.

Morgan and the Equitable Life

President Day of the Equitable Life gave out the following statement last week:

"When the majority stock of the Equitable Life Assurance Society was first purchased, it was assigned to three voting trustees, ex-President Grover Cleveland consenting to serve as chairman. This action was taken in the interests of the policyholders, and the province of the trustees was, after consultation with policy holders, to elect directors to guard their interests in the society's board of directors.

"When Mr. Morgan bought the stock this trust agreement was renewed. Judge Morgan J. O'Brien, one of the original trustees, was made chairman and Lewis Cass Ledyard and George W. Perkins were elected to fill the vacancies caused by the death of Mr. Cleveland and the resignation of Mr. Westinghouse.

"The Equitable stock does not stand in Mr. Morgan's name, but in the names of the trustees, whose sole duty it is to vote the stock in favor of suitable persons to serve as directors of the society, the majority of the board always to be representatives of the policyholders.

"The administration of the affairs of the society is in the hands of its board of directors thus elected, and there will be no change in the administration of the Equitable's affairs."

Washington is a troubling again. Accidentally there finally crept into the code revision a law requiring all companies to make a \$200,000 deposit in Washington or elsewhere. The code commission had eliminated it from the revised code but it slipped in at last, by somebody's carelessness.

The commission later assured the state insurance department that this was an error, and Com. Schively therefore did not enforce

the accidental and foolish deposit law. The new commissioner, Fishback—can it be that he is another Clunie?—says the letter of the law must and shall be enforced. He has refused to license the Northwestern F. & M. unless it deposits \$200,000 in some state. All the American companies must now deposit that sum with some state authority or retire from Washington, where fire losses are likely to be very heavy.

The following companies had 100 percent loss ratio in Texas in 1912:

Agricultural, Alliance, American Union Fire, Boston, Caledonian, Cologne Reinsurance, Commercial Union Assur., Firemen's of Newark, First Russian, Georgia Home, German Alliance, Jakor, Lumber, Michigan Commercial, Michigan F. & M., Munich, Moscow, New Brunswick, North British, Norwich Union, Orient, Peoples National, Prussian National, Russian Reinsurance, Scottish Union, Security, Skandia, South German, State Assurance, Swiss National, Union & Phoenix, Williamsburg City.

Flood and Tornado Losses

It is said that the great floods in March caused the drowning of 2,500 human beings. Life industrial and accident companies report death claims.

Tornado losses are now estimated at \$3,000,000, with a million covered by insurance. It is estimated that the National's loss will be over \$100,000, the North America's nearly that sum, and the German American, Fireman's Fund, Home, Reliance and Fidelity Phenix about \$50,000 each. The Fireman's Fund losses were due to the reinsurance of the Iowa company. The Ætna and Royal lost about \$30,000 each in the wind storm. Omaha and Terre Haute were the principal sufferers.

Fire losses resulting from wind and water are estimated at \$15,000,000, of which the insurance companies may bear \$2,000,000.

Fair Notes.—Trusses 100 feet high, weighing 4 tons each and numbering 125, are being raised for palace of machinery. It is estimated 7,000,000 feet of lumber will be

required for the construction of this building. Such original "concessions" as the baby incubators, the fire fighters and a '49 camp are reported in the amusement division.

Sacramento.—S. B. 238 relating to liability reserves has passed.

S. B. 235 defining the way companies may set a value on their bonds and stocks as assets has passed.

S. B. 239 prohibiting sale of premium notes before delivery of policy has passed.

Many of the bills introduced in the legislature are similar to those in former legislatures and will probably share the same fate.

The single agency bill of the organized locals was ill defended and easily killed.

The daily press reports of measures and probabilities are exaggerated, sensational and untrue—more so than usual.

Sacramento.—A. B. No. 1682, passed repeals the license tax on corporations, and goes into effect June, 1914. The present law is unconstitutional as to foreign corporations. The alien land bill does not apply to property now owned by foreign persons and corporations.

Gasoline.—A new gasoline law in California requires the keeping of gasoline in red cans only and prohibits the keeping of kerosene in red cans.

Life Dividends Taxed.—The new income tax law will tax life premium refunds, mis-called dividends, but will not tax policy payments. To escape this tax the "participating" companies should reduce rates yearly by charging a premium "not to exceed." There should be no tax on life insurance premiums or refunds ("dividends").

The Equitable Life now has several agencies solely for women.

The Pittsburg Life has sold its St. James bldg in New York, taken over with the ill-fated Security T. & L. of Philadelphia. That purchase was a losing one.

Two life companies will probably consolidate this year.

ONE THING AND ANOTHER

Dr. Fleisher at the Sunday Commons meeting in Boston advocated a municipal paper in every city to publish "merely that which has happened." It is a fine, high-browed idea, but who would read it? For instance we knew a "cub" reporter who came into the office of a Chicago paper with a story of how a youngster of three rescued a pet kitten from drowning in a cistern. The city editor gazed a moment on the story and remarked severely, "not enough news in that; make it over and have the kitten save the kid." It was done as ordered and the tale went over the world by telegraph.—Portland Express and Advertiser.

Something not quite so bad occurred in San Francisco, where a 5-year-old boy dashed into a pond and dragged out a lapping dog. But a Hearst paper made the story read that the dog had risked his life to save the drowning boy from a park pond only two feet deep.

Have you never noticed that your barber never asks "Is the razor sharp" unless he is sure it is?

As long as a reinsured company is liable for the reinsured policy and its agent is authorized to continue writing for it, and is not notified to make no indorsements on any policy previously written by him, I contend that he has a right to make on the reinsured policy any endorsement within the authority of his commission as agent. Indeed, I believe that he has such right even if he knows that such policy has been reinsured, and if his company has ceased to do business, unless he has been specifically ordered not to do so. The policy itself is evidence of the continued liability of the reinsured company, for which he is still the agent.

In the midst of an article on finance in a local weekly appears the handsome half-tone of the editor of a contemporary who hasn't a bottle for his booze nor a pot for his peace.

The press dispatch about a man from San Francisco who is in the East, and doomed to walk twelve miles a day because of defective blood circulation, reminds us of a similar case in San Francisco, where the afflicted young man has been obliged to submit to amputation of all his limbs, in order to survive. The blood will not circulate in the extremities and it becomes necessary to cut

off several inches. A series of operations has left the man with stubs of arms and legs, but otherwise he is in good health. He was a worker in leather. A fraternal society supports him.

It is just about seven years now since I saw Walter M. Speyer cooking his dinner on a stove in front of his home in San Francisco. After the double disaster, and until chimneys were inspected, repaired and officially approved, fires in stoves in houses were prohibited. For a short while, until the water supply was adequate, even lights in the houses were prohibited. A light in a window invited a rifle shot.

Oh, look! see who's here! Women in Washington, or at least one of them is in the saddle. The legislature sawed wood way into the night in order to pass bills in time for the governor to sign or veto them. A messenger ran with them to the executive mansion rather late in the evening. The governor's wife answered the door-bell. She refused to accept the bills. The messenger then left the roll of enacted bills on the porch. As he departed, the governoress came forth and kicked the paper-roll off the porch and called out: "we don't want any of your old bills." Women have the right to vote in Washington. This story is printed in an up-country paper—and of course it must be true.

Years ago at St. Louis there were several barges of negro men and women from the lower river points in Louisiana and Mississippi. These folks had come north on a wild goose chase for "forty acres and a mule." I went aboard and talked with the black folks. "Uncle, why did you-all come up the river?" I asked. "Case, boss, we-uns cudent get anything ahead for de rainy day; weze alluz in debt ter de lanlor. Oh, dey sharp white folks. Yessir, dey take de chicken outen de pot for de rent." "You were promised free land?" I asked. "Yes," he answered, "deys said sommers up here der was lan' free for everybody." Then I told him there were millions of white men ready to make homes on any free land, and he would have no show. He didn't turn pale. "Say, Uncle," I said, "they tell me you colored folks were better off when slaves. Is that so?" He looked up at me in a knowing way, and said, "Say, boss, dat job is open to any white man dat wants it." What could I say to that logic?

Fire Companies Discontinue Writing in Missouri Because of Hostile and Absurd Legislation

Representatives of the companies of the Western Union met in Philadelphia last week and discussed the Missouri situation. The new laws of that state do not permit profit or personal safety for insurance men.

It was finally agreed that—

The companies whose names are appended hereto have given careful consideration to the law recently enacted by the state of Missouri entitled "house bill No. 477," and have taken the advice of counsel relative thereto. While we keenly desire to do business in the state of Missouri and to extend to property owners therein the protection of our policies, we are, nevertheless, regretfully compelled to conclude that we cannot transact business under the harsh and unusual provisions of this law without being in jeopardy of prosecution and conviction, even though, as law abiding companies, we should conscientiously endeavor to obey the law in letter and in spirit.

We therefore, each for ourselves, have decided that we will, on the 30th of April, 1913, cease to directly or indirectly grant insurance on property in the state of Missouri until some safe and practicable method for doing business in that state shall have been devised.

We will not, between this date and April 30, permit our agents to cancel and re-write policies expiring after May 15 or to write new insurance to that effect after May 15.

Twin Peaks Reservoirs, Etc.

San Francisco, April 10, 1913.

To the Officers and Members of the
Civic League of Improvement Clubs and
Associations San Francisco:

On our last visit to the Twin Peaks reservoirs, Sunday, March 30th, we found a force of about twelve men at work, showing an evident intention of rushing the work which, we were informed, would be completed by the end of the present month, so that the

reservoirs would be placed in commission about the first of May.

The Fort Baker pumping station is about 60 percent completed and the contract for the Jones Street reservoir has been let, but no work commenced there as yet.

On Sunday, March 16th, the chairman of your committee, together with other members of the League, attended the dedication of the new fire engine house on Stockton street, near Filbert, and noted the very complete plant with the most modern motor driven engine and hose wagon with chemical attachment housed therein.

On the morning of the 8th inst. Mr. Bayreuther and the chairman of your committee witnessed a test in competition of reducing valves. At the conclusion of this exhibition the fire commissioners, Messrs. Brandenstein and Hammer, together with the Fire Chief Murphy and the Asst. City Engineer Ransome, decided to await the opinion of the engineers of the Board of Fire Underwriters and the Inspection Bureau.

Referring to our remarks in our last report regarding insurance legislation your committee desires also to call attention to the following points in the report of the Chamber of Commerce committee, issued November 13th, 1906, viz., on pages 42 to 50 of this report the question of limiting liability of the insurance companies to cover the so-called conflagration hazard in large cities is handled in a most thorough and detailed manner, much more so than the limited time allowable for this report, would permit.

The following extract from said report is in perfect harmony with the opinion of your committee: "Nothing is more certain than that there ought to be more money invested in the fire insurance business than there is today, or than there has ever been, if there is to be adequate insurance protection for large cities. To this end as has been said, it is desirable that the business of fire insurance be made as attractive to capital as may be consistent with the good of the insured." Respectfully submitted,

Committee on Fire Insurance,

Fire Protection and Fire Department.

G. Trittenbach, Chairman.

Anti-Rebating and Anti-Twisting Bill at Sacramento

Senate bill 897, prohibiting rebating and twisting, was passed by 50 ayes and 2 naves.

Its Outstanding Insurance Will Fall Off

The policies terminated in the New York Life last year numbered 63,204 for \$138,031,-673. Over 63 regiments of policyholders retired from the company. This is at the rate of over 5,260 retirements a month, including deaths. To replace losses this company must write more than \$11,500,000 new business a month; and the question arises, Can the company, in time, under the law limiting annual new business, write enough insurance yearly to equal losses by death, lapses and surrenders? We answer, No. If the law remains unchanged, the time is not far distant when this company's outstanding business will be at a standstill and will later decline in volume. This will be equally true of other companies some time.

Fire Business in 1912

Some Lost and Some Made Money

Last year the Hartford Fire paid \$700,000 dividends on its \$2,000,000 capital. This is less than 5 percent on its capital, surplus and other stockholders' funds. There was a good underwriting profit. A large part of the interest earnings was added to the surplus.

The Hanover made some underwriting profit in 1912, gained in resources, increased its premiums and reinsurance reserve, and is in a better condition than a year ago, though its surplus is less.

The Dixie had a 61 percent loss ratio and a 43 percent expense ratio, making the two 104 percent of the premiums.

The Franklin of Washington did some reinsuring, and consequently its premiums, and assets and reinsurance reserve show a decline and its loss ratio an advance.

The Individual Fire Underwriters of St. Louis had a bad and weakening year, which ought to discourage its underwriters who assume an additional liability of \$750,000. Losses and expenses were 138 percent of the declining premiums. Assets and surplus fell off and expenses increased.

The International Fire of Dallas, Tex., had a 95 percent loss ratio and a 58 percent expense ratio in 1912, but increased its surplus.

The Minneapolis did some reinsuring, which reduced its liabilities, increased its surplus, enabled it to pay dividends, but yielded these high ratios: expense, 147; losses, 262.

—Moving Films Dangerous.—The federal authorities have declared inflammable and dangerous the films used in the "movies," and will require their safe packing for shipment.

—For the 100th Time.—Again the San Francisco authorities have given final warning that the "temporary" shacks must be torn down, by May 24, this time. Did the pull peter out when Casey went?

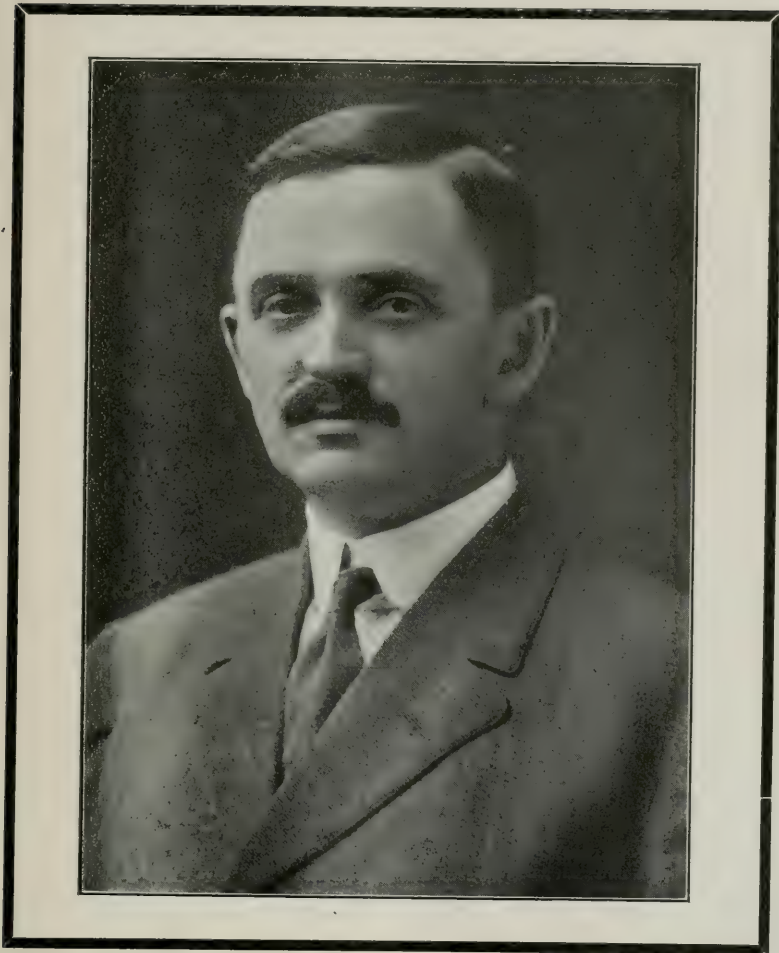
—When you read anything about insurance in the daily papers, remember that it is not true.

—Frank W. Dickson and Arthur C. Thornton have joined offices as general agents, San Francisco, representing the Germania, Concordia, German, Prussian National, Commercial, Lumber, at 415 Montgomery.

—We believe that the manager or special who hasn't time to read court insurance decisions will later have the time and plenty of it.

—Sacramento Fire.—Knox Lumber Co. and Friend & Terry lumber plants, 21, at 2nd and M sts. Soon after 4 a. m. the John Breuner Furniture Co. warehouse caught fire, brick walls and iron doors and shutters being no protection. Six other places of business were destroyed in this fire which swept a whole block.

—New York.—The two proposed National Motor companies appear to have fallen into the discard.



THE LATE ARTHUR G. SANDERSON

Mr. Sanderson, who was a native of Boston, began insurance work in 1885, in a local agency. Later he became a special agent. In 1898 he was appointed state agent for the Ætna Insurance Company in Ohio and West Virginia. In 1906 he was one of the company's conflagration adjusters in San Francisco. In July, 1909, Mr. Sanderson was appointed assistant general agent of the Pacific department of the Ætna. On the death of Mr. Morrison in December, 1909, Mr. Sanderson succeeded him as general agent. After a brief illness, General Agent Sanderson died March 8, 1913. The deceased was regarded by his business associates as ranking high among the ablest underwriters in the West. His personality was very pleasing.

Branch and Mann Jr. Appointed Assistant Managers

Manager Mann announces the appointment of F. M. Branch and H. R. Mann Jr. as assistant managers of the Pacific department of the New York Underwriters Agency. Both of the new appointees are experienced underwriters. Mr. Branch has had many years' experience as field man and superintendent of agencies, and Mr. Mann Jr. is thoroughly familiar with the office and other duties of successful underwriting.

The Home Underwriters

The Home of New York has decided to establish an underwriters agency, called the Home Underwriters. President Snow is quoted by the Journal of Commerce as saying to its representative:

"This does not mean that the Home has changed its view of the single agency question, nor that we have any intention of duplicating our agency plant. It means simply that after advocating in the larger organizations of companies the limitation of agencies with little support and no support, and it being evident that the agents, however much some of them may desire to make the principle effective, are entirely helpless in the matter, no other course appears open to us unless we are willing to concede to certain of our competitors opportunities denied to the Home. Whenever and wherever the agents are able to agree upon a rule limiting company representation and to enforce it in spirit and in fact, we shall be among the first to support them."

Mutual Life's Building in City of Mexico

It now transpires that the street battles between the Mexican factions did not seriously damage the handsome office building of the Mutual Life Ins. Co. in the City of Mexico, as was reported in the daily prints. No attack was made on the building. A bomb entered a window and shattered things but did not explode; another bomb entered another window and exploded and wrecked the room. Many windows were shattered by bullets. Otherwise no damage was done.

Automobile Rates

Rates covering the automobile risks continue the same on this Coast and any change is not contemplated. Recently there have been reductions in the East, in an experimental and competitive way, but already there is dissatisfaction and it is not improbable that the new rates will give way to advances made necessary by loss experiences.

San Francisco

San Francisco, after a long delay, has succeeded in selling \$5,000,000 bonds at par.

At the northeast corner of California and Leidesdorff sts. the pedestrian pauses and exclaims, "What a beautiful building!" Then he looks to the south side, opposite, and says, "How wonderfully fast the Insurance Exchange building is going up." Steel frame is finished and cement floors nearly so.

The Lloyds of London have a blanket policy covering the fidelity of the employees of the Crocker National Bank, San Francisco. They lost about \$125,000 net by the embezzlement of Cashier Baker.

The Phoenix Insurance Co. of Hartford Will Write Automobile Business

The old Phoenix of Hartford has amended its charter, and will in future engage in the automobile insurance business and write a liberal form of floating policies on this Coast. Applications for agencies should be addressed to Geo. H. Tyson, general agent, 210 Sansome St., San Francisco.

Jersey Fire Underwriters

The policies of this organization are guaranteed by the American Insurance Co. of Newark, N. J., and therefore have some \$10,000,000 assets and about \$4,200,000 policy holders' surplus behind their promises of indemnity.

The Chapman & Nauman Co. have been appointed general agents for the Jersey Fire Underwriters for the Pacific Coast and will operate in the same territory in this field now covered by the American.

Field Men's Notes.—The Atlas has added A. E. Ehrhorn to its San Francisco staff.

The Aetna has A. R. Muir as a field man, with headquarters in San Francisco.

Carl A. Truitt, San Francisco, is a new auto special for Christensen & Goodwin.

Walter H. Young, at Los Angeles, is now with the Commercial Union's Pacific department.

Specials are invited to send in notes, and corrections and additions for our Field Men's Directory, which appears in the May Coast Review.

V. C. Sessions returns to field work for the G. H. Ward general agency.

At Los Angeles Wm. M. Stodghill is now the field representative of the National Union.

Personal.—President Cochran of the Pacific Mutual Life is in New York, establishing a branch office in the second largest city in the world.

Secretary Martin of the Northwestern Mutual Fire has been visiting San Francisco and stirring up the agency for aggressive competition with the stock companies for business that does not burn.

Assistant Secretary French of the Fireman's Fund went to Arkansas, where he found things as they were and left them as he found them. Arkansas was a warm one in 1912. With Texas, it is a part of the Pacific department and reports to the home office in San Francisco.

The Equitable Life is teaching agents by mail. The course of lectures will include at least twenty letters of instruction.

The life insurance men of New York City are very much "Bristol-bored."

The Metropolitan Life has been holding a series of triennial conventions. The Intelligencer in a recent issue gives very interesting accounts of these conventions.

What has happened to our good old friend, the Insurance Monitor? It does not look natural. Has there been a fire?

The postoffice department has ruled that in the future all packages containing insurance coupons must be sent as first class postage. Coupons being printed matter, they will not be allowed to go by parcels post. The trouble is, the insurance companies have been granting more insurance at a lower rate than the government. The companies give protection for all damages while the government does not. The Home of New York, the Hartford and the North America have been insuring parcel post packages.

The postoffice authorities have ordered that the mail boxes be painted red. There is much protest to this, as at the present time fire alarm boxes are painted red.

Sacramento.—The so-called Kehoe bill in the senate—which was really a measure by Ins. Commissioner Cooper and introduced at his request—was originally framed by the organized local agents, who, to prevent possible rate wars, were willing to repeat the follies of organized locals in Missouri and Texas. Later, they saw "the error of their weighs." Cooper appeared before the committee and argued for his bill, which as a law would have enormously damaged property-owners, local agents and brokers. Leading underwriters from San Francisco also appeared before the committee and submitted arguments with such force that the committee voted against the bill. The author, however, succeeded in getting it out of the committee with a "recommendation that it do not pass." It did not.

Olympia.—Messrs. Brown, Thornton and Wayman from San Francisco will confer with the Washington insurance department regarding the recent interpretation of the law as requiring domestic as well as foreign companies to have \$200,000 on deposit in the United States. Such a law would be idiotic.

New members of the San Francisco Life Underwriters Assn. are George Elliot Hunt, general agent of the Union Mutual Life, and Albert O. Harwood and Joseph Meltzer, of the industrial department of the Metropolitan Life.

W. H. Breeding Appointed General Agent of the Pacific Department of the Aetna, and E. S. Livingston Assistant General Manager

Both are fortunate—the company, in having in its service two men qualified for the places to which they have been appointed; and the two appointees are fortunate in being selected to represent a grand old company like the Aetna.

President Clark made his selections after being on the ground, and his judgment was confirmed by the directors of the company. The business of the Pacific department will continue to move along in the paths of good practices and sound underwriting which annually lead to an underwriting profit.

General Agent Breeding has been engaged in fire underwriting, on this Coast and elsewhere, as special agent and as state agent, for many years past. He has for some years been a special and the superintendent of agents for the Aetna in this field, and was recently made assistant general agent of the Coast department. He was therefore in line for promotion to his present position, and "the street," knowing him, expected it.

Assistant General Agent Livingston has for some time been in charge of the company's automobile department, where he has demonstrated his ability to assume greater responsibilities. He was formerly connected with the marine agency of Livingston & Smith.

Personal—Manager Irving returned from his visit to Hawaii feeling fine for his rest. The cordiality of the people delighted him. In a business way, however, he says they are dejected because of the tariff bill at Washington, which removes protection from their principal industry—sugar.

The Fire Underwriters' Association of the Pacific, in response to a communication from Commissioner Hathaway, recently designated Col. C. Mason Kinne as its member of the national council of the World's Insurance Congress in 1915. Mr. Hathaway is pleased to say that this appointment is a substantial benefit to the congress, as Col.

Kinne has a national reputation among fire insurance men.

—The Metropolitan Life established relief quarters in flooded portions of Ohio and Indiana. The houses of hundreds of policy holders were flooded and it is estimated now that probably one hundred policyholders were drowned. One agent of the company reports that at least five thousand families had their homes under water for several days, and of these homes probably one third were destroyed.

—An Ohio court has again ruled that when a local agent sells his agency to another person he transfers his good will, and can not use the knowledge which he gets from the books he sold for a consideration to aid him thereafter in visiting the customers of his former agency, just before the renewals are due. Such local agent may go into business again but he may not in any way detract from the value of the property he sold.

—The American Merchants Syndicate of Los Angeles, which has been writing fire insurance under its bylaws, is now bankrupt. Many small grocers in southern California are its victims.

—The Arizona Corporation Commission expects to proceed against the Bankers Fire of Phoenix, which is Joshua E. Youtz & Co. Very ignorant people have been placing some business with this company.

—The Commercial Fire of Washington has entered California, with A. C. Thornton as its general agent.

—British Columbia fire business increased over 10 percent last year, and the loss ratio was less than for the Pacific Coast generally.

—Life men will see Sills at Seattle in May, and there may be more branches of the National Life Association organized.

—The Los Angeles Times offers as premiums 10,000 personal accident policies in the Pacific Surety Co. of San Francisco.

"Watch us grow" often really means only "Hear us crow." A fast growing insurance company is likely to be of few days and full of trouble.

JURY DECIDES FOR INSURER

Instructions by the Federal District Court for Oregon—Judge Bean

In the District Court of the United States for the District of Oregon: John Viercke and Susanna Viercke, his wife, Plaintiffs; Insurance Company of North America, Defendant.

An action brought to recover on a policy of insurance issued by the company early in September, 1911, to the plaintiffs, covering loss or damage by fire to the amount of \$3,000 on a two-story frame building and its additions adjoining and communicating, including all fixtures, etc., in Lents; and \$3,000 on a stock of general merchandise. The defendant company, however, defends this action on three grounds:

First—The company alleges and claims that it notified Mr. Viercke more than five days before this fire that it had cancelled the policy, and therefore the policy was not in fact in force at the date of the fire.

Second—The company claims that under this provision the policy was void because (1) Mr. Viercke and his wife, when they applied for the insurance, falsely and fraudulently represented to the agent of the company the value of the building and of the stock of goods, and that they did that for the purpose of defrauding the company, and that the agent, relying upon that representation and upon their statements, and believing them to be true, was induced to and did issue the policy; and (2) that after the loss Mr. and Mrs. Viercke, in order to defraud the company, submitted with their proofs of loss a list of items, which they claimed were in the building at the time of the fire and were destroyed by the fire, and which the defendant company says were not in the building, as a matter of fact, and were not destroyed by the fire, and that Mr. Viercke knew that fact at the time he made this proof of loss, and that he made it with the purpose and intent on his part to defraud the company.

Three Defenses

Now, there are the three defenses that are made in this case.

Upon the first one the question is one of fact. The evidence for the defendant tends to show that some time in September, the agent of the defendant wrote a letter to Mr. Viercke, notifying him that it had elected to exercise the right given it by the policy, and to cancel such policy. If this notice was given, and received by Mr. Viercke more than five days before the fire, it operated to cancel this policy, and it was therefore of no legal force

or effect. Now, whether such notice was received by Viercke is a question of fact for you to determine from the testimony. If the letter was written, properly addressed and mailed, properly stamped, the presumption of law is that it was received by the party to whom it was addressed, in the due course of mail. But this is not a conclusive presumption. It is a disputable one. And notwithstanding the letter may have been written, and mailed properly addressed, it may not, as a matter of fact, ever have been received by Mr. Viercke; and whether it was or not is a question for you to determine from the testimony. If you find that it was, and that he had been notified more than five days before the fire that the company intended to exercise its option to cancel this policy, then he is not entitled to recover in this case. But if the notice was not given, or if he did not receive the notice, then the policy was in force at the time of the fire.

Representations

Now, it is alleged in the answer that, on the 15th of September, 1911, the plaintiffs applied to the defendant's agent at Portland for fire insurance to the amount of \$3,000 on a building described in the complaint, and to the amount of \$3,000 on the stock of merchandise therein. * * * * The plaintiffs admit making these representations or statements to the agent at the time the insurance was effected. The defendant insurance company alleges that the agent believed and relied upon these statements, and each of them, and was induced thereby to execute and deliver the policy of insurance as applied for. The defendant, or the insurance company, also alleges that in fact the building did not cost \$3,000 or more than \$1,000 and was not at that time of any greater value than \$1,000, and that the stock of merchandise was not at that time, or at any time, of the value of more than \$1,200; that the plaintiffs well knew the true cost and value of the building and the merchandise, and made these representations and each of them, and knew that these representations and each of them were false and fraudulent.

These representations were material to the validity of the risk. They were proper subjects of inquiry by the agent of the company at the time the application was made for this insurance; and it was the duty of Mr. Viercke, as it is the duty of every man applying for insurance, to answer honestly, fairly and frankly questions of that kind propounded to him by the insurance agent. He is, of course, not responsible for mistaken judgment, or for honest over-valuation, but he is required and bound to make an honest, fair, frank statement, the same as entering into any other contract. And if the plaintiffs, or either of them,

knowingly and intentionally made to the agent of the company a false and fraudulent statement of the value of the property to be insured, as charged in the answer, in order to procure the insurance, and the agent relied thereon in issuing the policy, then the plaintiffs are not entitled to recover in this case, because the contract was void on that account.

It is admitted by the pleadings that at the time of their application for the insurance in question, the plaintiffs represented to the agent of the company that the building to be insured was worth not less than \$3,000 and the stock of merchandise not less than \$3,000. If you find that the plaintiffs knew that these representations were not true, or that either of them was not true, but that the property was materially less in value than thus represented, and that the plaintiffs knowingly made such representations for the purpose of procuring the insurance, and the agent of the company relied thereon in issuing the policy, then the plaintiffs are not entitled to recover, and you should find in favor of the defendant: And that, too, even if you should find that the property was worth more than is alleged to have been its value in the answer of the defendant, provided it was materially less than was represented by the plaintiffs.

Proofs of Loss

The other defense is that after the fire the plaintiffs, with an intent to defraud the insurance company, submitted a false and fraudulent proof of loss. * * * * It is your duty as jurors to determine the facts in reference to this, and as to whether or not the plaintiffs' representations and statements in question were false and fraudulent; and if you believe from the evidence that the plaintiffs, or either of them, knowingly or intentionally included in their proofs of loss and in the sworn statement which they furnished to the company, claims for articles or property which they knew were not in fact lost in the fire, or knowingly or intentionally in their proofs of loss or in their sworn statements to the defendant made false statements as to the value or cost of the building, then it would be your duty to find in favor of the defendant.

False Swearing

The purpose of the stipulation in the contract of insurance that the policy shall be void in case of any false swearing by the insured touching any matters relating to the insurance, or the subject thereof, whether before or after a loss, is to enable the insurer or the company to ascertain the extent and the amount of the loss. By the very nature of things an insurance company is obliged in a great degree to look to the assured and to depend upon his statements and representations for the ascertainment of the actual loss, and hence it is required

of an assured, and they accordingly agreed in this policy under a penalty of forfeiture of their right to collect the insurance under the contract, that they will answer faithfully, honestly and truly, so far as they know, touching the amount of such loss. For this reason it is a material part of the policy in question that the plaintiffs shall answer truly touching the loss, so as to enable the company to decide upon its obligations and liabilities, and thereby to protect itself against false claims.

It is a well settled rule that any false swearing touching a material fact or matter of legitimate inquiry under the policy, for the purpose of deceiving and defrauding the company, knowing the same to be false, will render the policy void, and no recovery can be had under it. Accordingly, therefore, if you find that in this case there was, as alleged in the answer and claimed by the insurance company, such false swearing touching the property lost and the value thereof, and that it was done for the purpose of deceiving and defrauding the insurance company, and that the plaintiffs, or either of them, made such false statements knowing them to be false, for the purposes indicated, the defendant would be entitled to your verdict.

Burden of Proof

Now, the burden of proof is upon the defendant under the first issue in the case; that is, that the policy was canceled. It is required to make out the best case upon that point. The burden of proof is also upon the defendant to show that the statements made by the plaintiffs at the time they secured the policy were false and fraudulent, and known to be such by them at the time. And the burden is on the insurance company to show that the proof of loss and statements made in the proof of loss were false; that is, it must make out the best case on that subject.

Now, there has been introduced in evidence in this case the result or report of an examination that Mr. Viercke was subjected or submitted to after the loss, and touching the loss. Under the terms of the policy, the company had a right to call upon the assured to give it whatever information he possessed about this property, its value, character, quantity and variety, and it was Mr. Viercke's duty to answer any such questions as were propounded to him touching those matters honestly and truly, and to give to the company whatever information he had upon that subject; and if he had, in fact, purchased a large amount of furniture in the city of Portland or elsewhere within a short time before the fire, which he claimed was consumed by the fire, it was his duty, if he knew, to have advised the company, when it inquired of him, the names of the parties from whom he made such purchases,

so that its representative might have investigated the matter, might have investigated to ascertain the quantity of furniture purchased, the character of it, its quality, and its value; and if he neglected and refused to give such information, if he had it, that was a false swearing and a fraud within the meaning of this policy. You have heard his testimony in reference to that matter. He claims that within six weeks before this fire he purchased and put into that store some \$2,000 or \$3,000 worth of furniture. He says that he purchased that furniture of some firm or firms in Portland, but a few miles from his place of business, and yet he is not able—he was not able on his examination in December, 1911, to give the company the name of a single firm from which he purchased a single article of furniture; and he was not able, or did not furnish that information on the trial. Now, then, it may be that a man could be in business and purchase \$2,000 worth of furniture within five or six weeks before a fire, within five or six or eight or ten miles of his place of business, and not remember the name of the firm from whom he made the purchase, and it is a question for you to determine whether that is probable in this case. Such a statement necessarily challenges inquiry and examination. It does not conform to the ordinary experience of mankind. Usually when a man starts into business and buys \$2,000 or \$3,000 worth of goods for his business, he is able to remember, for a month or two at least, the name of at least one firm from whom he made the purchase. But it may not be so with Mr. Viercke, and that is a question for you. His memory may be so defective, or he may have been so affected by the fire as to have destroyed his recollection upon this matter, and it is an important subject of inquiry in this case. But there is one fact connected with his recollection that I think worthy of reminding you of. Notwithstanding the fact that he testifies that he never was in the insurance office but once, and that was at the time he received the policy, and that he never had any communication with the insurance company between the date of the policy and the fire, except the letter enclosing the policy, it is a fact that his memory was sufficiently definite and certain that he could recall the location of the office where he received the policy, because, according to his testimony, he was down there the next morning after the fire to see about recovering the amount of money on this policy. So that he can remember some things that transpired concerning the matter. And whether this made such an important impression on his mind that he could remember where he got the policy, and the agent with whom he made the contract, and the location of the office, and could not remember where he

purchased any of this furniture, is a question for your consideration, and not that of the court.

Companies Should Not Be Compelled to Pay Dishonest Losses

It is important that an insurance company be required to pay an honest loss, or a loss that is sustained under its policies, and it ought not to be permitted to escape liability on any technical or doubtful ground; but it is just as important that it should not be compelled to pay a dishonest loss as it is that it should not be permitted to escape the payment of an honest loss. And so it is in this case the question is up to this jury to determine whether this was an honest loss or a dishonest one. If it is an honest loss, then the plaintiffs are entitled to recover. If it is a dishonest loss, if the plaintiffs intended or attempted to defraud this company, then they ought not to recover in this case. And that is a question of fact for you to determine from the testimony, and for you alone. Now, there was something said, by one of the counsel in the argument here, about some alleged communication between a witness and somebody in the audience. I do not know what he had reference to; I did not see anything of that kind occur during the trial. But if it did occur, and it was an improper one, the proper practice would have been for counsel to have called the court's attention to it at the time, so that it could have been corrected or dealt with as it deserved.

You are the judges of all questions of fact in this case. You are the judges of the credibility of the witnesses. Every witness is presumed to speak the truth. The law presumes that a witness who comes on the stand and takes his oath to speak the truth, does so, and that his testimony as given on the stand is true. This presumption may be overcome, however, by the manner in which a witness testifies, by his appearance on the witness-stand, by his apparent frankness, by the manner in which he gives his testimony, and it is for you to determine, and you alone, what weight is to be given to the testimony of the several witnesses who have been called in this case. If a witness is false in one part of his testimony, he is to be distrusted in others; and if you find that any witness in this case has testified falsely as to any material point in controversy, you should view the entire testimony of the witness with distrust.

Evidence

It is also a rule of evidence, or a rule of law that evidence wilfully suppressed would be adverse to the party suppressing it, if produced; but it is also a presumption of law that evidence is to be estimated, not only by its own internal weight, but also in the light of the evidence which is in the

power of one side to produce and of the other to contradict, and that therefore, if weaker and less satisfactory evidence is offered when it appears that stronger and more satisfactory was within the power of the party, the evidence offered should be viewed with distrust.

Transactions Are Presumed to Occur as in the Ordinary Course and Habits

The evidence in this case shows that the plaintiffs were questioned in December, 1911, respecting the place of purchase of the lumber and material which entered into the construction of the building burned, and the place of purchase of the furniture and groceries alleged to have been in the building at the time of the fire, and that they claimed that they did not know where any of the furniture was purchased, or where any of the lumber was purchased except that purchased from the Miller Lumber Company, and that they did not know where any of the groceries were purchased except those purchased from Jenkins & Company. The plaintiffs have not produced at the trial any further evidence as to the purchase of the lumber or furniture. If you believe that they were in fact able by reasonable diligence to discover the places where the furniture and lumber were purchased, and they have wilfully failed to do so, or have wilfully concealed the fact, you are to consider that as tending to show that such evidence, if produced, would have been adverse to the plaintiffs.

Transactions are presumed to occur in accordance with the ordinary course of nature and ordinary habits of life, and you are to take into consideration the probability or improbability of the evidence produced at the trial, in view of the ordinary course of business and the ordinary course of men.

Now, then, if you find from the testimony that either of the three defenses set up by the defendant is valid under the record in this case, then your verdict will be in favor of the defendant, and it will be unnecessary for you to consider the question of the value of the property destroyed.

If, on the other hand, you think the plaintiffs are entitled to recover, it will be necessary then for you to determine from the testimony the amount of such recovery, which under no circumstances could exceed \$3,000 on the building and a like amount on the stock of goods.

Term Merchandise Includes Unspecified Goods

The insurance policy describes the merchandise as "consisting principally of groceries of all kinds, crockery, china, glassware, hardware, tinware, and goods of all kinds of no greater hazard which the assured may have on the premises for the purpose of sale or barter." There is no specification, no statement on the face of the policy that there was

any clothing, men's suits, or women's suits, or underwear, or any furniture, in the stock of goods; but if there were such goods in the stock, and they were there for the purpose of sale and barter as a part of the general business, the policy would cover them, although they are not so specified, because it says "On stock of general merchandise, consisting principally of groceries," etc., "and goods of all kinds of no greater hazard which the assured may have on the premises for the purpose of sale or barter," so that if you believe that there was in fact clothing in the store, or furniture, as the plaintiffs claim, and that it was destroyed by the fire, you have a right to consider that matter, and the quantity of it, and its value, in arriving at the amount of recovery.

[The jury returned a verdict for the insurance company.]

Broker's Fraud.—After an insurance broker acting for insured procured policies of insurance, he had no authority to waive or receive notice of the cancellation of the policies, though he had not yet delivered the policies to the insured. Where broker procures insurance for plaintiff, but by his fraud causes the insurers to cancel the policies, and replaces them with others so as to get the rebate of premiums paid, the fraud was practiced on the insurance companies, and his relations with plaintiff were not affected.—*Cheshire Brass Co. v. Wilson*, 86 A. 26.

Mutual Fire.—A slip issued by a mutual fire insurance company's agent held to constitute a contract of insurance which the company could not vary by issuing a policy containing a clause prohibiting other insurance.—86 A. 35.

"Unnecessary exposure to obvious risk or danger," as used in an accident policy limiting recovery in case of death from such cause to two-fifths of the amount of the policy, held to mean gross or wanton negligence.—139 N. W. 865.

A bond indemnifying an employer against loss by fault of an employee is not invalid because not signed by the employee as provided by the bond, where it is delivered to the insured and premium collected.—129 P. 171.

Is the Nassau & Dutchess in Hard Luck

The Nassau has been unfortunate, probably deservedly so, for it has been cutting rates in a foolish way. In this field it had an 85 percent loss ratio last year. In 1911 the company's loss and expense ratio was 101 percent of the premiums. In 1912 it merged with the ill-reputed Dutchess, and the loss and expense ratio was over 102 percent; but after allowing for the increased unearned premium reserve the loss ratio was about 90 percent and the expense ratio 40 percent, making 130 percent of the earned premium income. As it is, the actual expenditures exceeded the total income, and yet a large increased fire liability must be carried to expiration without any further income. The Nassau & Dutchess must do better underwriting or have better luck, else an old moral will adorn a new tale.

Public Adjusters in California

Both San Francisco and Los Angeles are now headquarters for "adjusters for the assured," otherwise known as public adjusters. So far these men have borne a good reputation and have co-operated with the companies' adjusters. Whether this favorable view will continue remains to be seen.

There is a legitimate field for the public adjuster, but unfortunately he has not chosen that field east of the Rockies. There he is undeniably dishonest and useless.

The legitimate work for the professional adjuster is the honest representation of an honest claimant who is too busy to look after his claim. The ordinary small claimant does not need the services of an adjuster, and to persuade him to accept and pay for them is an imposition which partakes of fraud.

On this Coast already the adjusters for the assured are numerous and competition for business is keen. Large commissions for employment are paid, to brokers and agents who prevail upon their clients to employ a public adjuster. The adjuster charges 5 or 10 percent of the insurance sum recovered,

and he pays 25 or 50 percent of his commission to the broker or agent who was the means of his getting "the job."

As independent adjusters (who are not now employed as often as formerly) need additional employment they will add to the number of adjusters for the assured; and as long as they honestly represent the assured and work with the companies' adjusters in the ascertainment of the actual loss, they will be welcomed on any loss; but if, as in the East, the professional adjuster on the Coast exaggerates loss claims, stirs up strife and endeavors to defraud the insurers, his career will be shortlived.

Predicted an Exposition Fire Which Occurred, and Sold His Insurance Stock in Ample Time

In a chapter on hypnotic phenomena Cesar Lombroso told this story of a neurotic patient who was a famous physician, Dr. C. He was "a sensitive" who had "powers of premonition." A well authenticated instance, Lombroso said, is that on the 4th of February, 1894, he predicted the burning of the Como exposition (which actually took place on the 6th of July) with such firm assurance as to induce members of his family who had other proofs of the accuracy of his predictions to sell all the (high priced) shares of the Milan Fire Ins. Co. for the sum of 149,000 lire (\$29,800). At the time the young doctor "made this prediction off hand" the exposition had progressed only, like that in San Francisco, far enough to be enclosed with a fence. Fire underwriters might well employ a few neurotics to exercise their powers of premonition as to the Panama Pacific exposition.

New York Life Company's License to be Canceled?

Commissioner Clayton of Colorado threatens to revoke the license of the New York Life for accepting business (not needed) from two agents whose licenses had been canceled by the department.

Oregon fire agents are moving things in behalf of graded commissions.

Fire Companies May Cease Writing in California

As we go to press the situation at Sacramento does not look fair.

Kehoe, defeated, at midnight worked his defeated bill into the Gerdes bill, which was passed. It was a characteristic trick of legislation and an insult to the senate which had rejected the Kehoe-Cooper bill.

The upshot of the possible enactment of this destructive legislation may be a fate war, the immediate withdrawal of about 30 companies from the Coast, followed by a suspension of writing by the principal solvent companies.

Much of the business in California does not pay a profit at the present rates; and where there is a profit there is a tremendous conflagration liability. It will be well to make an example of socialistic California, and let it stew awhile in its own anarchistic steam.

The Late Edward E. Farnsworth

The lamentable accident which caused the death of Adjuster Farnsworth occurred when we were pressing the last forms of the March Coast Review, and we could print only a mere street rumor of the circumstances. It transpires that Mr. Farnsworth was not at home when the accident occurred. He was at his office and stepped into the office of a printer friend, on the same floor, and had a brief talk with him. Remarking that he must hurry away to attend a meeting of the Tennessee Society, he left, and hastened down the hall. Soon afterward his friend heard groans. Going into the dimly lit hall he saw the form of a man lying over a newel-post. It was the unfortunate Farnsworth, who was then taken home in a taxi. The hospital surgeons, a day or so later, found that the smaller intestine had been broken by the blow, and in the interval gangrene had set in. We examined the newel-post and found the corners unusually sharp and therefore dangerous.

Norwich Union in New Offices

At 332 Pine street, one flight up, in very handsome offices in the new Orient building, the Pacific department of the Norwich Union Fire Ins. Society is now domiciled. A fuller notice we are not prepared to give just at this time.

Capt. Caukins, of Portland, for many years agent for the Travelers, died recently.

In Missouri the atty.-gen. is suing the fire companies on a charge of combining to withdraw from the state where they have long lost money and can't make any at present permitted rates.

Hot Springs, Alaska.—Manley Hotel burned.

The Queen of New York is now among the "upper ten" American companies, being a ten-millionaire.

The Amarillo National Life, Texas, increased its premiums and its outstanding business in 1912, and had an income in excess of disbursements. Management expenses decreased. The capital of this company is \$150,000.

For a year past the Metropolitan Life has successfully conducted a correspondence course of instruction in life insurance. Some 20,000 examination papers were received. The course is now required of all new agents, and older agents in great number ask for admission. The "uneducated" agent is at a disadvantage in competition with the graduate of this "school."

The Argus Casualty Chart, 1913: by Rollins Pub. Co., Chicago. This annual excels. It is elaborate and complete, giving the details of accident, liability, fidelity, surety, plate glass, steam boiler, burglary, health, workman's collective, automobile and fly-wheel, for ten years.

Life Insurance Policyholders' Pocket Index for 1913: Spectator Company, New York. This is the best publication of the kind in the world. Five years comparative figures. There are also detailed statements of the 23 American companies with more than \$100,000,000 in force, one of which is the Pacific Mutual of California.

CHIPS

—We may some day hope to see a cubist's idea of a rude insurance man adjusting a loss.

—After May 1 Curtis & Gordon will represent the Prov.-Wash., Boston and Old Colony, for the Pacific Coast. This is a new firm.

—Santa Ana, Cal.—Promoters here hope to sell \$250,000 stock for \$500,000 for the proposed Pacific States Automobile Ins. Co. The stock-buyers may reasonably expect to recover 50 cents out of the \$1.00.

—Recent Agency Appointments of Globe Indemnity.—Moellering & Goodwin and Hall & Rambo have been appointed agents for San Jose, for all lines. Thomas P. Emigh, Union Savings Bank Building and the C. H. Troy Agency, No. 481 11th Street, have been appointed agents for all lines in Oakland.

—Clarence M. Smith, of the California general agency of the Northwestern Mutual Life, left San Francisco April 12th for a several months' absence in Europe, as a special commissioner of the Panama-Pacific International Exposition, to promote among European insurance men the World's Insurance Congress, to be held in San Francisco in 1915 under the auspices of the exposition.

—Ins. Com. Fishback has sent out the amendments to the insurance code of Washington, 1913 session. Secs. 79, 83 and 84, chapter 49, laws of 1911, were amended. No other sections were affected. Domestic companies have until Jan. 1, 1916, to comply with capital provisions. Marine insurance includes automobile. Fire and marine include hail, lightning, wind, earthquakes, leakage, sprinkler damage, on automobiles anywhere. Motor vehicle insurance is a classification by itself.

—Ten Years for Embezzlement.—Chas. F. Baker, trusted cashier of the Crocker National Bank of San Francisco, gambled away, in stocks, some \$204,000 of the bank's funds. Today he was sentenced to 10 years in the penitentiary. Baker occupied a high social position and was paid \$10,000 a year.

He and his wife gave up their fine home in part restitution. As Baker handled no money, it is somewhat a puzzle how he got the funds to regularly buy stocks on margin. His stock brokers have been indicted. The federal authorities are the prosecutors.

—Mercur, Utah, a mining city with timely fires, has petered out with its lost paystreak, and is no longer on the railroad map.

—The Commonwealth Security Co. has been appointed general agent of the Sterling Fire for California, Oregon and Washington. John A. Hougard is manager for this agency.

—Seattle.—A stockholder of the Empire Life has sued for an accounting. He says that on January 1 the company had \$900,000 assets. Then the naughty Columbus Securities Co., criticized by the Coast Review, came and saw and conveyed.

—The Metropolitan Life aids in the construction of small homes for its policyholders. On a building which costs \$5,500, the company takes a first mortgage of \$2,500, to run twenty years, and the building company takes a second mortgage of \$1,500, to run twelve years. The small remainder of the cost is paid down by the purchaser, the purchasing price including the single premium for a life insurance policy which will pay all money due on the property in case of the death of the owner, during the life of the mortgage. Some thirty houses are now finished and sold.

—The promised dividends of the Harlow-Hewitt Pacific Coast Inter-Insurers never materialized. Expenses swallowed most of the premiums, and had there been the unusual losses which periodically occur at uncertain times, the loss claimants would have collected little or nothing.

—Spokane.—A receiver is asked for the Western Casualty Co.

—Charles A. Peabody, president of the Mutual Life Ins. Co., is visiting California, accompanied by his daughter and friends. Mr. Peabody is quoted as saying that he believes the money market will be very tight for the next few months, but that no panic need be anticipated.

—We regularly print life news notes in our advertising departments.

—April 18 was "fire prevention day" in California. Losses may now be expected to increase.

—Sacramento.—The Kehoe bill has passed the senate. It prohibits any officer or employee of an insurance company from borrowing money from it.

—New York proposes to prohibit officers and employees of fire and casualty insurers from receiving a commission on any kind of insurance from any company. This would seem to affect the contingent commission.

—The Coast Review warns the life insuring public against the Kight Audit and Abstract Co., Willis E. Case and J. F. Kight. These fellows are discredited, denounced, and are pretenders to expert knowledge. They merely create doubt, cause twisting, and then demand a fee from the insured.

—Marshall Black, for many years a successful local agent at Palo Alto, Cal., has begun serving a sentence of ten years in the penitentiary for embezzlement. Of insurance funds? Oh, no! impossible! Black "borrowed" the funds of a building and loan association for his own large land investment schemes. The times being unfavorable, Black was found out.

—The notorious Mrs. John Martin (Isabella), in a California penitentiary for several years for dynamiting the house of a judge who had ruled against her, has lost her mind and been transferred to an asylum for the insane. This eccentric and vicious woman had several fires of incendiary origin but seemed always able to get more insurance, first as Mrs. John and afterward as Mrs. Isabella. Her last loss having been disputed by the Westchester, she went to New York and visited the office of the company, saw the president and threatened him if he did not forthwith pay her claim. In San Francisco, years before, the woman called at the office of a general agent of the Home and berated him noisily because he refused to insure her property.

We invariably print fire news notes in our advertising sections.

—Hawaii.—Honolulu suspended business all day April 8, to join in mass in a protest against the proposed sugar schedule of the new tariff as a measure which will paralyze all business in the Hawaiian islands.

—Back of the "demand" for state industrial insurance and state rating is the hope of creating a powerful political machine in California, with a hundred or more official positions for the "workers." That's all.

—Suspension by Fire Is Not a Breach.—Where insured, under an indemnity policy against liability for personal injuries to third persons, warranted that the premises were occupied as an apartment hotel, a temporary suspension of business, rendered necessary by a fire in the hotel, was not a breach of such warranty.—140 N. Y. S. 717.

—Bank's Liability.—The owner of a check, whose manager authorized to receive it forged his indorsement, and absconded with the money, and who has been charged with the amount as a payment by the maker, has a cause of action over against the bank which accepted the check, and paid the amount to its manager.—140 N. Y. S. 700.

—Reconstruction Is Repairing.—Indemnity policy construed and held that insured, in replacing the roof on his building, which had been destroyed by fire, was repairing the building, within the terms of the policy, making it liable for injuries to third persons during the making of such "repairs."—Harbor & Suburban Bldg. & Savings Ass'n v. Employers' Liability Assur. Corporation, 140 N. Y. S. 717.

—Suggestions for Advertising.—We have been printing in our advertising forms, as suggestions for cards or signs or newspaper advertising, a few catch-lines which might be adaptable by local agents. On page 82 of the March number we printed a posterette which a local agent can use to good advantage, with his name, in his local paper or on a card. Truly, it would be better if the companies were to print it on their blotters, and thus help to educate property-owners.

San Francisco

The assessment roll of San Francisco has changed as follows as to totals:

Year	Taxable Value
1905	\$524,230,936
1906 (fire year)	375,932,447
1907	429,611,618
1908	454,334,160
1909	492,867,037
1909 as raised 10% by state board	539,093,065
1910	515,028,100
1911	545,064,347
1912	604,813,249

Real estate values are about three-fifths of the totals, which includes improvements and personal property.

The American Surety contributed \$2,000 to the flood sufferers' relief fund.

Missouri denies to insurers the right to compile, compare and use loss experiences as a guide to the unknown cost of insurance. There must be no statistics nor rate books, nor consulting—nothing but individual guesswork without regard to an average or an individual loss experience as to any class of risks. This law is demogogy run to seed.

Department Interior New Publications

Bulletin 52. Ignition of mine gases by the filaments of incandescent electric lamps by H. H. Clark and L. C. Ilsley. 1913. 31 pp., 6 pls., 2 figs.

Technical Paper 31. Apparatus for the exact analysis of flue gas, by G. A. Burrell and F. M. Seibert. 1913. 12 pp., 1 fig.

Technical Paper 36. The preparation of specifications for petroleum products, by I. C. Allen. 1913. 12 pp.

Technical Paper 40. Metal mine accidents in the United States during the calendar year 1911, by A. H. Fay. 1913.

The Bureau of Mines has copies of these publications for free distribution, but can not give more than one copy of the same bulletin to one person. Order by number and title. Applications should be addressed to Director of Bureau of Mines, Washington, D. C.

Of the 1,800 "temporary" shacks in the fire limits of San Francisco, 240 still remain.

In New Mexico dividends to policyholders are deducted from premiums for taxation.

Are You Looking for Permanent Success?

You will find it by selling insurance for The Pacific Mutual Life Insurance Company of California because its liberal policies, Life and Accident, are what the people want—*provided* you will

SEE THE PEOPLE.

Life Department

J. N. RUSSELL, Jr.,
 Manager,
 Pacific Mutual Building,
 Los Angeles, Cal.

or

KILGARIF & BEAVER
 Managers,

Shreve Building, San Francisco, Cal.



Organized 1868

Accident Department

The McCUISTION CO.
 General Agents,
 Story Building,
 Los Angeles, Cal.

or

F. A. STEARNS
 Manager,

Shreve Building, San Francisco, Cal.

LIFE

I-am-holier-than-thou: at least it sounds that way. Jno. I. D. Bristol, New York manager for the Northwestern Mutual Life, has declined an invitation to join the Life Underwriter's Association, since he cannot do so "until the Association has done something in an emphatic way to divest life insurance of the crimes and criminals that are everywhere associated with the business." There is a slap on the wrist indeed. For twenty years nothing has been done to prevent "barbers, bootblacks, bookkeepers, fire and plate glass agents," and others of like ilk "from preying upon the work of regular life insurance men." For these "deplorable conditions" Mr. Uriah Heep Bristol blames the life underwriters associations of the country. Moreover, "the general agent and managers in the guise of master thief, is aiding the petty thieves to demoralize his own men." The man who wrote this arraignment has borne the reputation of being the worst twister in the country.

Those who had most to do with the drafting of this (income tax) bill have declared that it did not increase the burden of life insurance companies, and one is reported in the newspapers as having said that it was not intended to tax payments to beneficiaries. It is to be hoped that this belief, showing a friendly attitude, may enable insurance companies to secure amendments that will make the meaning of the bill clear in its application to the life insurance business. Certainly in its present form no one can tell with certainty what it does mean. There are many defects which serve to obscure the meaning here and there, such as sentences without verbs, etc., but these are minor matters compared to the ones to which we have called attention, and others which seem likely to appear on closer examination, and under an attempt which is being made to apply its provisions to

the actual transactions of certain life insurance companies for last year. Robert Lynn Cox.

The Postal Life will pay its policy holders a commission on business written through their recommendation.

Bonding

The American Bonding Co. office in San Francisco has been absorbed by the F. & D. and the representatives change but Col. Nippert remains to hand out the glad hand.

After all, that Baltimore man is not so Bland.

FIRE

Fire losses are increasing throughout the country.

The organized locals of Illinois have at last resolved to unite with the companies and fight state insurance, and state rate making. They have heretofore favored the latter, as in Missouri, Kansas, Texas and Louisiana.

Kansas for the past three years has been a sink-hole for fire insurance money. Expenses, taxes and fires have taken \$1.10 for every \$1.00 premium. The state makes the rate: the companies pay the "freight." They stay in Kansas only because they are charitable and hate to hurt the feelings of the local agents who brought about state rate-making.

GENERAL

In British Columbia all companies must now take out insurance licenses and deposit with the superintendent of insurance securities in various sums, from \$5,000 to \$25,000.

The Royal Arcanum has been enjoined by the supreme court of New York, by a member who sues against the increase of assessments.

The National Union has engaged in hail insurance.

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1912) . . . \$9,558,099.00

NET SURPLUS, " . . . 3,738,799.00

E. F. BEDDALL
President

N. S. BARTOW
Secretary

GEO. W. BURCHELL
Vice-President

Gross Assets, ^{JAN. 1}1912 \$99,466,277

Exclusively Fire Assets 44,632,557

Net Surplus, - 16,652,238

Losses paid, 235,136,672

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager
LIVERPOOL, ENGLAND



DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta, San Francisco, Montreal.  Agencies in all principal Cities and Towns

ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING. SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston, J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred, J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B. Evans, (automobile) C. A. Luhrs.

Agents Do Well who Represent the
SAN FRANCISCO LIFE INSURANCE COMPANY

**Experienced Life Insurance Men
 and Successful Business Men Direct its Affairs**

Business and Resources are Increasing. Interest Earnings are
 6.30 per cent. Low Mortality Experience Shows
 Good Class of Policyholders.

Home Office: 57 POST ST. San Francisco, Cal.

GERMANIA

FIRE INSURANCE COMPANY,

NEW YORK.

ORGANIZED 1859.

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

HEAD OFFICE

Cor. William and Cedar Sts.

FIRE

The worsted mills in Piqua, Ohio, were equipped with sprinklers, but they were not in service, the water being shut off, owing to the flood. The Companies will have to pay the two hundred thousand dollar loss.

The Caledonian has declared dividends at twenty-four shillings per share

The Phoenix of London has increased its dividends for 1913.

The state prison fire loss in Kansas cost the state about six hundred thousand dollars. The state carried no insurance.

The Eastern Philadelphia department business of the California reinsured some time ago in the American Union, has been re-reinsured in the Royal.

The Twin City Fire of Minnesota has been licensed.

The First National Fire and the Commercial Fire are sanely managed as they prove by joining the big companies in retiring from Missouri.

LIFE

An Argument Irresistible

We can not too often urge upon canvassers this fact: The appeal to sentiment and to the solemn duty one owes to his loved ones to provide them with life insurance protection may fall on deaf ears and fail utterly, but the payment of a death claim in the neighborhood of the person canvassed is an argument irresistible, one which carries conviction and is most likely to bring the desired signature to the dotted line. Use it every time.—Prudential Record.

The Atlas of London claims to have originated the limited life premium policy about a century ago.

New Publications

New York Ins. Dept. Rep. on Exam. of Postal Life Ins. Co. Rep. of Exam. of Nassau and Dutchess. Rep. of Exam. of Williamsburg City and Empire Fire. Rep. of Exam. of Protective Life Assur. Society.

Which Will Be Best for the Workman: by Edson Lott, U. S. Casualty Co.: 150 pp. on "Cap Compensation Laws be most Effectively and Economically Administered by stock or mutual companies or by State Ins. Schemes." There's a Lott of good things in this pamphlet.

Proceedings of the Sixth Annual Meeting of the Association of Life Insurance Presidents. We have heretofore printed interesting and thought-stirring extracts from the addresses made at this meeting. Book contains a colored diagram of the states using and not using the standard certificate of death. Pacific Western states using it are:

Washington, Montana, Colorado, Utah and California; others use it or recommend it.

Though from Eureka, the home of the Reactionaires, John McCallan, a San Francisco broker, must admit that Gov. Hiram has been good to him. The governor has renewed his commission as notary.

The American state ins. depts. collect about sixteen million dollars more than their salaries and expenses yearly.

On Grant avenue in San Francisco there is every evening a congregation of freaks. Pausing a moment to listen to a speaker I heard him bawl: "We I. W. W.s don't care for any law. We break laws whenever we can safely do so." Another anarchist screamed: "We're going to make them parasites on Nob Hill come down here and work for a livin'." Whereat he was loudly applauded by the street socialists, who are nearly all foreigners.

Minnesota's first electoral vote was for Abraham Lincoln and was carried to Washington by Elector John D. Browne, then a citizen of that young state and for many years the president of the Connecticut Fire Insurance Co.

Fire and Automobile Insurance

American of Newark

Chartered in 1846

Capital Stock	.	\$1,000,000.00
Liabilities	-	5,431,072.05
Special Reserve Fund	-	300,000.00
Net Surplus	-	3,135,102.52
Total Assets	-	\$9,866,174.57

P. L. HOADLEY, Pres't.

C. W. BAILEY, Sec'y.

Pacific Department, San Francisco, California

GEORGE O. HOADLEY, Manager

THOS. H. WILLIAMS, Asst. Mgr.



Main Offices
56 Cedar Street

ORGANIZED
APRIL 13th, 1853

THE HOME Insurance Company NEW YORK

ELBRIDGE G. SNOW,
President

The completion of SIXTY YEARS finds THE HOME in the premier position among the Insurance Companies of the world not only in respect of FIRE ASSETS and SURPLUS to POLICY-HOLDERS—but with an unexcelled record for fair dealing in every emergency as well as in ordinary routine—with an unsurpassed equipment, and with the ability as well as the readiness to serve the public, its agents and brokers.

FIRE

NIAGARA FIRE Insurance Company

Assets, - \$6,736,192.25 Surplus to Policyholders, - \$3,475,199.18

DETROIT FIRE & MARINE Insurance Company

Assets, - \$2,139,401.04 Surplus to Policyholders, - \$1,552,035.83

NIAGARA - DETROIT UNDERWRITERS

Assets, - \$10,343,079.00 Surplus to Policyholders, - \$5,789,723.62

EDWIN PARRISH, Manager

Pacific Coast Department 334 Pine St., - San Francisco

AUTOMOBILE

MEN WHO CAN DO THE WORK

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

UNION MUTUAL LIFE Insurance Company

PORTLAND, MAINE.

FRED E. RICHARDS, President

Address **ALBERT E. AWDE, Supt.,**
396 Congress St., Portland, Maine.

GEORGE E. HUNT, Manager
Shreve Bldg., San Francisco

T. H. McAllis, Manager, Sherlock Bldg., Portland, Ore.

P. B. Duren, Manager, Boston Block, Seattle, Wash.

The Western States Agency Co., Manager, 225 Foster Building, Denver, Col.

J. E. Evans, Manager, Vancouver, B. C.

Stephen Montgolfier, watching shirts dry by the fire, saw the hot air swell the cloth upward and the idea of making a balloon sprang into a man's mind for the first time.

National Union Fire Insurance Company

of Pittsburg, Pa.

Cash Capital, - - - - - \$1,000,000.00
Surplus to Policyholders, - - - - - 1,545,227.00
Assets, - - - - - 4,136,638.00

METROPOLITAN DEPARTMENT
SAN FRANCISCO

604 Merchants Exchange Building

DIXWELL DAVENPORT, E. C. DIETZ,
MANAGER ASS'T MANAGER

FIELD REPRESENTATIVES:

R. R. Roper, NORTHERN CALIFORNIA
604 Merchants Exchange Bldg, San Francisco
Alexander MacDougald, SOUTHERN CALIFORNIA
P. O. Box 868, Los Angeles, Cal.

All of our ideas are copied from nature and the man with a new idea is not nearly so important as the man who can apply the idea.

The inventor is more important than the theorizer, and the salesman more important than the inventor.

Nothing is original with man.

An Iowa tornado mutual has been obliged to specially assess its members in order to pay losses.

SOME OF THE ADVANTAGES ENJOYED BY EQUITABLE REPRESENTATIVES

The backing of one of the largest and strongest financial institutions in the world.

A Participating Company.

A Prompt Paying Company. Of the 5,089 domestic death claims paid by the Equitable during 1911, 5,035, or nearly 99 per cent were paid within one day after receipt of "Proofs of Death."

A Company whose policies are standard contracts, drawn to conform to the Insurance laws of New York and other States.

A Company issuing every desirable form of insurance including Corporation Insurance, Income Insurance, Employe Insurance, Home Purchase Insurance, Joint Life Insurance and a large variety of Annuities.

A Company large and Strong enough to insure applicants for large amounts under a single policy.

A Company whose policyholders include the world's Captains of Industry whose identification with the Equitable is in itself an endorsement.

A Company granting insurance to sub-standard physical risks—bringing protection within the reach of applicants who might otherwise be deprived of it and saving business for the agent.

A Company which insures women at the same premium rate as men.

A Company whose canvassing documents are comprehensive, adequate and attractive.

A Company engaged in a broad "conservation of life," movement—aiming to lengthen the lives of its policyholders as well as insuring them.

A company that has withstood every conceivable test—wars, financial panics, epidemics, and lastly, a great fire. The Society has openings in practically every State for energetic agents of character and ability.

Address **H. L. ROSENFELD, Assistant to the President**

165 Broadway

The Equitable Life Assurance Society of the United States

New York

REPUBLIC UNDERWRITERS

POLICIES UNDERWRITTEN BY THE

AUSTIN FIRE INS. CO. and the COMMONWEALTH FIRE INS. CO.
of DALLAS, TEXAS

TOTAL ASSETS OVER \$1,174,970.99
SURPLUS TO POLICYHOLDERS OVER 738,629.96

LOCAL AGENTS WANTED

243 SANSOME STREET
SAN FRANCISCO, CAL.

ANDERSON & EDWARDS, Managers

Compensation Bureau Not Disrupted

It appears that Robert J. Hillas (president of the Fidelity & Casualty Co.) had much to do with the harmony that prevailed at the meeting this week of the Compensation Bureau. The dinner he gave to executive officers of the bureau appears to have made a ten strike. Contrary to prediction, the bureau still lives and is likely to survive. Bygones were left in the rear and action was taken relative to commissions in the state outside of New York City. A committee was appointed to select a manager and also action was

taken relative to extending hearty cooperation and support to the Casualty Insurance Exchange. Taken all in all, the meeting was regarded as a success for the bureau.—Ins. Advocate.

The Press

The Review of Sydney for January 31 is exceptionally interesting. Notably so, in the excellent exterior and interior views of the new Sydney home office building of the Australian Mutual Provident Society and the portraits of the officers and directors. We discover that in this Under the Southern Cross City the unsightly telephone poles still make the street unsightly.

COAST REVIEW POSTERETTE

EVERYBODY

WORKS

BUT FATHER

HE Took Out a

Big ENDOWMENT

POLICY

With Us 20 Years Ago

HOME LIFE INSURANCE COMPANY OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—*The Com'l & Fin'l Chron.* 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,
256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department, 123 William St., New York, N. Y.

Liability

Workmen's Collective

Workmen's Compensation

Burglary

Personal Accident and Health

Industrial Accident and Health

Agents Wanted For Unoccupied Territory

Apply to New York office or to

WALTER A. CHOWEN,

Pacific Coast General Agent

340 Sansome Street San Francisco

AGENTS WANTED

To Solicit Subscriptions for The Coast Review, now in its 42d year. Good commissions. Sample Copies sent in advance. Will pay well any active man. Special offerings. Write Publisher for further particulars.

PLATE GLASS

Plate glass policies do not cover earthquake and flood damages.

ACCIDENT

Billington, Birmen & Co. have been appointed Coast agents for the U. S. Casualty.

FIRE

Kansas, as well as California, has made April 18th fire protection day.

Rates on sprinklered risks have again been reduced in Chicago.

Single occupancy risks are to be increased $\frac{1}{2}$ of 1 percent, for each additional tenant, until the 12 $\frac{1}{2}$ c basis rate for the multiple occupancy is reached.

The Church Insurance Assn. of New York is now authorized to insure dwellings and contents of members of religious societies. Now the trouble begins.

The Dayton fire was started by water igniting chemicals in a drug store.

The new standard fire policy of New York provides for the appointment by the court of an umpire to assist in the adjustment of losses.

Minnesota will carry its own insurance on state buildings.

A Nebraska court has ruled that a conspiracy to burn property is not a crime until an attempt to burn is made.

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT:

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

FIRE

The Oklahoma commissioner has resigned in the face of fire.

The board of trustees of the Equitable Life will meet soon, to consider the future of the company, and its mutualization. The controlling interest was owned by the late J. Pierpont Morgan, and it is possible that his will may shape the action of the trustees.

H. R. Bush will handle the American of Newark in North and South Carolina. Bush is president of the Dixie, and was formerly department manager in the west for the American.

The American Union was bonded by a surety company for about \$120,000, in seven states, for the protection of policyholders in those states. Arizona is the only one in the Pacific West.

Wisconsin field organizations have endorsed the rule requiring agency

balances to be settled at the end of 45 days.

The California reinsured Eastern business some time ago in the American Union, and it now reinsures the same business in the Royal. The first reinsurance was canceled by the receivership of the first reinsurer, the A. U.

The Los Angeles Fire will apply for admission to several of the principal Eastern States.

LIFE

The Pacific Mutual Life expects to re-enter New York soon, for the transaction of accident and health business only.

The Fidelity Mutual application blank has been reduced to letter-sheet size.

The West Coast Life takes over the remaining business of the Empire Life of Spokane.

You Wish to Be Paid Well

for Your Efforts.

Producers receive liberal compensation
under the

Direct Agency Contract of the Manhattan Life

A top-notch personal income assured for
years to come.

Several pieces of excellent territory, with
exclusive rights, open for men of
character and ability.

For particulars address:

**The Manhattan Life Insurance
Company**

66 Broadway - New York
JOHN LANDERS, Manager.

Statement of the ownership, management, circulation, etc., of *The Coast Review*, published monthly at San Francisco, Cal., required by the act of August 21, 1902. Editor, E. H. Bacon, San Francisco, Cal.; managing editor, E. H. Bacon, San Francisco, Cal.; business manager, E. H. Bacon, San Francisco, Cal.; publisher, E. H. Bacon, San Francisco, Cal. Owners E. H. Bacon, San Francisco, Cal.; A. Edwards Berkeley, Cal. Known bondholders, mortgagees, and other security holders, holding 1 percent or more of total amount of bonds, mortgages, or other securities, none. E. H. Bacon, Publisher. Sworn to and subscribed before me this 29th day of March, 1913. Charles Egelmann, Notary Public for the City and County of San Francisco, State of California. (My commission expires April 9th, 1914.) [Seal.]

Convicted of Unlawful Use of the Mails

H. M. Coudrey, a former congressman, and H. B. Gardner, of St. Louis, have been sentenced to 4½ years imprisonment for unlawful use of the mails in promoting the International Fire and the Continental Assurance, both Missouri companies.

Uncle Sam is after the professional promoters, at last.

The population of England is 619 per square mile; Belgium, 589; Germany, 310; France, 190; United States, 32.

In our buying we are too prone to be like the Chinaman who had his new trousers made with patches because his old ones had them.

MISCELLANEOUS

The 100,000 auto-car registration in California was passed in March.

Talk about your freak legislatures! Missouri wins! The anti-trust section of a passed bill which makes evidence that any agent of any company consulted a rate-book prima facie evidence that his company is a member of a pool trust or agreement and such company should at once be sent to jail, fined, drawn, quartered and choked to death. By killing off the companies, this fool Missouri mule legislature hopes to increase competition for fire insurance which nobody can know the cost of.

Tillman-Blease-McMasters! South Carolina swears that all insurance companies must buy \$20,000 "worth" of her securities and deposit the same (\$4,000,000?) with her treasurer as security. Next, probably, the fire-eaters will make the whole deposits a guarantee for all insurance claims. A number of the companies will retire.

Wisconsin proposes that commissions to agents be limited in a queer way. The agent is to be paid nothing of any premium above 1 percent of the amount written on a risk. There is no limit on any contingent commission on an earned premium basis. It is permitted to pay a contingent commission on the business of one company or of all companies combined in the agency.

There is a clause in the original charter of the Pennsylvania Railroad, and the one under which it is now operating, that the president of the company shall be an engineer.

One ton of sawdust will produce one barrel of proof-spirit.

The National Surety has organized a knockers' club.

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

POLICY
PROVIDING
PERFECT
ROTECTION

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.

HOME OFFICE
SEATTLE
U. S. A.

\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over \$500,000.00

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets \$2,464,562.05
Liabilities in United States 1,446,243.42

Surplus **\$1,018,318.63**

PACIFIC COAST DEPARTMENT
129 LEIDESDORFF STREET - - - SAN FRANCISCO
W. L. W. MILLER, Manager.

Total Assets Represented over \$20,000,000

Svea
Insurance Company
of Gothenburg

Agricultural
Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire
Insurance Company
of New York

Hamilton Fire
Insurance Company
of New York

Globe Underwriters
of New York

EDWARD BROWN & SONS
General Agents Pacific Coast Department
202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

GENERAL

The knitting machine was invented in 1589, two centuries before the weaving machine. The inventor was an English clergyman, as also was the

inventor of the first power loom, in 1785.

The Welshbach burners are knitted by machinery.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General Manager

Union Assurance Societies

1714

OF LONDON

1907

Cash Assets in U. S. A.

\$1,224,580.16

Surplus in U. S. A.

\$836,556.74

CATTON, BELL & CO., General Agents

R. C. MEDCRAFT,
Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—JOHN E. COSGROVE, San Francisco. F. F. RICHARDS, Los Angeles.
WM. M. FATTERSON, Portland. JESSE DEBRUHL, Spokane.

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets, - \$995,596 Capital, - \$300,000 Surplus, - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

332 Pine St..

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

ARE YOU PLEASED?

IF NOT, SEE

US

POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
OCCIDENTAL LIFE INSURANCE CO.
 OF CALIFORNIA

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.

The New York Underwriters Agency

Cash Assets January 1, 1913

\$26,492,318.21

Net Surplus January 1, 1913

\$8,513,692.22

Surplus to Policyholders Jan. 1, 1913

\$10,518,692.22

Losses Paid, Over

\$158,607,806.03

H. R. MANN, Manager

F. M. BRANCH, H. R. MANN Jr., Assistant Managers

Pacific Coast Department: 339-341 Sansome St., San Francisco

SPECIAL AGENTS AND ADJUSTERS:

V. H. QUITZOW,	SAN FRANCISCO, CAL.	A. E. BAILEY,	PORTLAND, OREGON.
H. HARRY SMITH,	LOS ANGELES, CAL.	A. C. ANDERSON,	SAN FRANCISCO, CAL.
H. B. HAGEN,			SPokane, WASH.

President, HON. GEO. A. COX.
 Vice President, W. R. BROCK.

General Manager
 W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO. OF TORONTO (INCORPORATED 1833)

United States Assets	\$1,746,624.71
Liabilities in United States	1,045,080.89
Surplus	\$701,543.82

PACIFIC COAST DEPARTMENT
 129 Leidesdorff Street, - San Francisco
W. L. W. MILLER, Manager

There are plenty of grouches among successful men, but the grouches were contracted after the men made good.

If you don't believe that look at the ow-brow politician with a mind about

as deep as a coat of paint, who carries wards in his pocket because he knows how to smile.

Contentment is laziness.

Thrift is the mother of greed.

LIFE NOTES

Competitive literature is under the official ban, unless figures are complete. Even dividends paid at any time must not be used as suggestive of future dividends. Life men should themselves lead in asking for such department rulings or laws, rather than go to the state capital and ask for legislation which will give them an advantage over competitors. As a rule, life men make a sorry spectacle of themselves in defense or offense before legislature committees—especially at Sacramento.

The Postal Life now offers its policyholders \$5 of every first premium per \$1,000 of insurance written through their influence. Mail order business seems to be a failure.

The Security announces that it will not include the total disability clause in its policies. But it will have to come to it.

CASUALTY

Chicago has a new plate glass compact.

A genial mutt will get further than a grouchy genius.

GOOD AGENTS WANTED

THE

West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

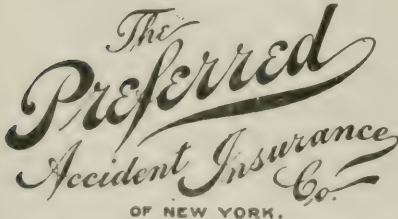
ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, *President*
C. O. G. MILLER, *Vice-President*
JULIAN SONNTAG, *second Vice-President*
WILLIAM C. HAMMOND, *Secretary*

Health and Accident Insurance

KIMBALL C. ATWOOD, *President*
WILFRID C. POTTER, *Secretary*



Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912 \$280,438,555.87

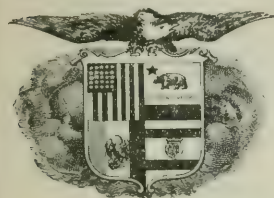
Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.

President, *JOHN M. TAYLOR*, Hartford, Ct.



Los Angeles Fire Insurance Company

Los Angeles, Cal.

Cash Capital, (Fully Paid), - - \$200,000.00

*Secure An Agency of This Home Company.
A Good Agency Company.*

San Francisco Office, 334 California Street

CALIFORNIA NATIONAL LIFE Insurance Company

Safe .. Sound .. Conservative

HOME OFFICE

Timken Building

SAN DIEGO, CALIF.

THE THIRD CLASS LOCAL AGENT

WHAT would you think of a local agent who never talked about insurance? about its cost, income and profits, its commissions, taxes and expenses? He wouldn't know much about the business, would he?

Now an insurance journal is but authoritative talk about insurance, backed by libel liability.

Any local agent who doesn't read about insurance in an insurance journal is a Third Class Local Agent.

He is not up to date in news, in principles, in practices, in court decisions, in knowledge of the condition and prospects of the insurers.

He is like a cheap skate of a lawyer who never reads a court decision, or a bum doctor who never reads a medical journal.

This 3rd rate local agent saves a cent a day but he may cost his patron 5,000 when a loss is settled—and thereby lose friendship and \$500 commissions.

American Central INSURANCE COMPANY
of St. Louis Established 1853
Assets. \$5,550,103 Surplus to Policyholders. \$2,858,229 Losses Paid. \$24,845,140

St. Paul F. & M. INSURANCE COMPANY
of St. Paul, Minn. Established 1865
Assets. \$8,032,864 Surplus to Policyholders. \$2,849,402 Losses Paid. \$40,714,821

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS
of St. Louis Assets. \$5,550,103 -
Surplus to Policyholders. 2,858,229

Minnesota UNDERWRITERS
of St. Paul Assets, \$8,032,864
Surplus to Policyholders. 2,849,402

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817

Of PHILADELPHIA

Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital,	-	\$ 750,000.00	Cash Assets,	-	\$8,989,219.63
Net Surplus,	-	2,505,857.89	Policyholders Surplus,	-	3,255,857.89

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets,	-	\$25,942,992.00	Surplus to Policyholders,	-	\$11,559,758.00
Net Losses Paid in San Francisco in 1906.	-	-	-	-	\$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada

Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles

315 California Street, - - - San Francisco

MARINE

The codfisher John D. Spreckels, schr., was recently found off the coast of California a derelict, stern up. Property of Alaska Codfish Co.

The schooner was run down by the British Str. Statesman and has been towed bottom up into San Francisco bay.

Marine.—The Commercial Union has moved its lakes marine department from Milwaukee to Chicago.

FIRE

Joshua E. Youtz, of not too sweet a reputation in Canton and Cleveland, O., was recently arrested in Los Angeles, as not unexpected, on a charge of making a false statement of the old punk Merchant & Insurers Reporting Co., the holding company of the Bankers Fire of Arizona.

The Boston is preparing to resume fire business on this Coast. In British Columbia this company is cutting rates in two and more.

San Francisco's new federal grand jury includes these brokers: H. H. Young, Vincent A. Dodd, C. P. Gibbon.

In Philadelphia, from the river to Eleventh, brokers' commission is only 10 per cent.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES. \$2,529,585.00

Office : **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

Statements showing the standing of the

CALEDONIAN INSURANCE COMPANY		Of Edinburgh
The oldest Scottish Fire Office		(Organized 1805)
Capital	\$5,078,365 32	Assets, \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN INSURANCE COMPANY		Of New York
Capital . . . \$200,000 00	Cash Assets . . . \$250,264 00	Surplus to Policyholders . . . \$231,505 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,403 19
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Pacific Department Office: 430 California Street, San Francisco.

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

DIGESTIBILITY OF FOODS

M. F. Jaffe

The chemical analysis of foods gives us the varying amounts of the different kinds of nourishing materials they contain. But these materials differ in regard to their digestibility, and differ in two distinct ways. One is, in regard to the proportion of nutrients that the average healthy person is able to extract or appropriate from them, without regard to any digestive peculiarity. We do not assimilate all of the nourishment that any food contains, but we get far less from some than from others. The amount that is *usually* assimilated is referred to as the "available" material. We sometimes use the words "digestion coefficient" to signify the proportion of available material that a food contains.

This kind of digestibility has no relation to the second kind, which is popularly used to denote foods that are difficult for the stomach to handle or which may cause distress or disturbances of different kinds. We should not confuse a food that requires a *long time to digest* with one that may be impossible of digestion. That part of the food which is considered in a table of values to be digestible or available may be digested either slowly or quickly, with ease or with difficulty, and with comfort or with distress. The readiness or ease with which foods are handled depends not only upon the food itself, but upon the method of cooking and the idiosyncrasies of the person eating it. Some foods are by their nature more difficult to reduce to the form in which the body can make use of them than are other foods, but it is often due to the way in which they are prepared or to the foods with which they may be combined. For example, recent investigations show that two different kinds of fat can not be well digested at the same time; therefore, fat meat might be handled well at one

meal when eaten with only bread, vegetables, and fruit, while it might not be digested the next time if used in connection with a mayonnaise salad, thickly buttered bread, and cream cake. As a rule, the fewer articles of food eaten at a meal, the more rapid and easy is their digestion. Another case in point is where a food that requires the action of the gastric juices is closely overlaid and surrounded by another food that is ready and perhaps waiting for intestinal digestion. Much also depends upon the condition of the person at the time of eating. A digestion already overtaxed may rebel against the handling of a food that would cause no difficulty at another time. Not only does the condition of the digestive organs play an important part, but the condition of the man himself must be equally considered. A tired brain and body are not apt to allow of full vigor of any function of the body, and the digestion suffers if this fact is not properly considered in times of unusual fatigue.

The question of digestibility is a long and intricate one. There are so many elements that enter into it that it would be impossible to consider them all here. It involves many different conditions even in the same food, and many varying conditions in the same person, to say nothing of the various idiosyncrasies of different people. The many morbid or pathological conditions that interfere with digestion or require special diets are always to be considered by a physician.

The psychological element plays a large part at times. The craving for a food and the enjoyment with which it is eaten certainly help in its digestion very often. The first flow of gastric juice is due to nerve stimulation and because it is increased or "started" by the odor or taste of food, etc., is called "appetite juice." The second is dependent upon the chemical stimulation by the first. This explains the fact of

dyspeptics being able to digest a food better if it has an agreeable taste, or when accompanied by a condiment. This must not be confused with the other very different one of allowing appetite and desire to rule continually in the selection of food without regard to the laws of hygiene or moderation. Another psychological element, which is perhaps the converse of the first one, is the very depressing effect that constant fear and worry over the daily food often have upon the digestion. An overconsciousness concerning any organ is not beneficial to its condition. To be constantly afraid of what we eat, constantly in doubt, and always watching for results, is not conducive to general vigor and normal functions. When special needs must be considered, it is far better for any other than the person himself to be the one to consider them. If there is no one else to do so, then a careful decision should be made, lists of foods written out and the subject dropped from the mind as a problem, and the selected article eaten in confidence and security of mind. California State Board of Health Report.

LIFE

A Kansas company accepts a premium note for one year, to be cancelled on payment of the third premium; and all collections are handled by banks. Bankers are advised that since at the end of the year the insured must pay either the note or the second annual premium, it is almost a cinch the second premium will be paid instead of the note. Therefore, the commission of 25 percent of the first premium and 15 percent of the second premium and the note drawing 5 percent per annum, amounts to 50 percent of the first premium less 6 percent covering the two years on the certificate of deposit. Figuring it another way, basing figures on \$100 premium, the bank's invest-

ment is \$75, the first commission \$25, the second commission \$15, interest \$10, a total of \$50, less interest, \$6, or \$44 net in two years on a \$75 investment, which equals 30 percent annually.

The Intermountain State Life will increase its capital to \$200,000 and come to California.

SURETY

Big Bond.—Washington, D. C., April 1.—John Burke, former governor of North Dakota, who today became treasurer of the United States, filed a bond for \$150,000 with the federal government to insure adequate care of every cent of the nation's money in his custody. The guarantor of his honesty and faithfulness is the United States Fidelity & Guaranty Company. While the total of the treasury's funds will run nearly a thousand times the amount of Governor Burke's bond, all the other treasury officials who share with him the care of the money are bonded and the aggregate security bears a much larger proportion toward the total funds. The largest loss for which a treasurer was ever held responsible was \$600, the contents of a sack stolen by a laborer some years ago.

AUTOMOBILE

New rates, covering fire and theft, are now in force. There are two classes of gasoline risks—the 1912-13-14 models the property of the original owners, and the older and second-class cars. The most costly cars have 1½ per cent as the basis rate, on first cost, and it increases in proportion of decreasing insurance to value. Rates on the cheaper cars range from 2 to 2½ per cent, with a minimum premium. Old age, of course, has its penalties, with a maximum rate of 4½. Electric risks are 1½ percent in any amount.

ONE HUNDRED YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH
(which are but a small part of total fire assets of the Co.)

\$9,139,794.00

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

JOHN McC. ANDERSON, Resident Secretary, Local Dept.

234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON OREGON, MONTANA.

P. W. GEDNEY, 501 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH WYOMING.

CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA, and ARIZONA.

G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, SAN FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$— in premiums." "My business is chiefly —." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824,

North American Branch:

Hartford, Conn.

JAMES H. BREWSTER

MANAGER.

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash.,
Oregon, Washington, British Columbia.

PAUL B. SOMMERS, State Agent.

H. C. EDMUNDSON, Special Agent,
706 Gas and Electric Bldg., Denver, Colo.,
Colorado, Wyoming, New Mexico, Utah,
Idaho, Montana.

H. W. FORES, San Francisco, Cal.,
General Agent, California, Nevada, Arizona.

SAN FRANCISCO OFFICE:

409 California Street

The Northern Assurance Company Limited

OF LONDON

Established 1836

Accumulated Funds, \$39,436,873.00
 Invested in the United States, 5,303,005.00

FRED C. H. ROBINS, Manager Metropolitan District
 330 California Street, - - - - - San Francisco
 (For San Francisco and Bay Counties)

PACIFIC COAST DEPARTMENT:

PACIFIC COAST SPECIAL AGENTS:

CHICAGO, ILLINOIS,
 G. H. LERMIT, *Manager*
 J. C. CORBET, *Ass't Manager*

D. R. ATKINSON, Portland, Or.
 LOWREY C. HOLLOWAY, San Francisco, Cal.
 GEO. F. GUERRAZ, Seattle, Wash.
 G. MUELLER, Los Angeles, Cal.
 JNO. P. BREEDEN, Helena, Mont.

Pacific Surety Company

C. H. CRAWFORD,
 PRESIDENT
 Established - 1885

BONDS
 ACCIDENT
 PLATE GLASS
 Employers Liability
 INSURANCE

Home Office
 FIRST NATIONAL BANK BUILDING
 San Francisco

The London Assurance Corporation

OF LONDON

Cash Assets, \$23,044,775.00

The London Underwriters

SPECIAL AGENTS — C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
 T. S. HEATH, Denver; J. E. JOHNSON, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco

A. W. THORNTON, *Manager*

J. M. MENDELL, *Assistant Manager*

G. E. GOGGIN, *City Manager*

WM. HACKETT, *Supt. of Agents*

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

The Philippines have been suffering from a severe drouth, but it is not reported that bad business has increased the fire losses. Manila has a good fire department under military authority. There has been no chance for a mayor

to build up a machine at the expense of efficiency of the firemen.

The heaviest loser by tornado at Omaha is said to be the National.

People not only punish grouchiness, they reward pleasantness.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON

Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	- - -	\$ 250,000 00
Cash Assets (Gold)	- - -	2,096,766 26
Net Surplus over Capital (Gold)		1,357,229 46
On deposit in the United States, (registered U. S. bonds)	-	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents
Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco

[Babcock Building]

PHOENIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building

(Entrance on Hallock Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employes. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.

Royal Insurance Building

GENERAL INSURANCE NOTES

LIFE

"Gentlemen, rise and announce your name and company." This is the way the toastmaster does at the Oregon life men's dinners. It is a rising young association.

The Prussian Life is the reinsurer of the Bankers Life of Des Moines on policies exceeding \$15,000.

Irwin J. Muma succeeds Whittington Collins for the Ætna Life at Los Angeles. Muma was formerly with the Travelers.

The Kight "experts" gravely ask: "What is the difference between life and death insurance?" This proves that these Indiana lame ducks know all about life insurance.

The Mutual benefit is recalling many of its competitive circulars, because of recent rulings of state departments.

The New York Life has practically retired from term business.

Secretary Lay and Supt. Miller of the National of Chicago are on this Coast for a month, where they are going to do things.

Moneys now left with the Equitable draw 4 percent plus interest.

Fred. A. Betts, formerly Connecticut insurance commissioner, and afterward an assistant secretary of the Metropolitan Life, recently pleaded guilty to a charge of larceny of \$25,000, through a fake syndicate stock deal.

A heavily involved Chicagoan, C. S. Woolfolk, died from a gunshot wound. He was found in his home with the gun-muzzle in his mouth. But of course it was an accident, for he had a quarter-million life and accident insurance.

FIRE

The Pennsylvania state insurance department will liquidate the American Union. Present your claims.

H. N. Kelsey is now United States manager of the Hamburg-Bremen, succeeding Mr. Affeld. This company will return to California and extend its Coast business.

James Stone has ventured back into New Jersey but not into Pennsylvania, where the process servers await his return.

The Western department of the Sun at Chicago is now in charge of P. T. Kelsey, with F. M. Jones as assistant.

Since December 1, 1910, there have been 24,338 reported fires in Texas, nearly half in dwellings.

The application for a receiver for the Southern States Fire did not claim insolvency, but merely charged mismanagement. The application was dismissed.

The Pennsylvania state insurance department is in charge of the meagre remains of the American Union. It is hoped there are funds enough for interment.

Not only at the home office but at the Western department of the Queen signs are not wanting to indicate that the company knows how to advertise. P. D. McGregor has inaugurated a scheme in various points in Michigan consisting of an illustrated slide showing a burning building in its fiery glory, which is displayed in moving picture shows during intervals while films are being changed. The Queen's local agent is in evidence on these novel slides.—Insurance Advocate.

The Pennsylvania Fire has taken over all the perpetual business of the late Delaware, which will now run into the ocean of oblivion.

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY-THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

Alaska Commercial Building - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by the State of Massachusetts

Incorporated 1819

Total Assets	\$ 10,407,847 65
Total Liabilities	7,537,140 04
Net Surplus	2,870,707 61

SURPLUS TO POLICYHOLDERS, \$4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by the State of New Jersey

Incorporated 1811

Total Assets	\$ 1,870,656 00
Total Liabilities	1,010,774 70
Net Surplus	859,881 30

SURPLUS TO POLICYHOLDERS, \$1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

L. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

ANNUAL STATEMENT, DECEMBER 31, 1912

Assets	\$11,148,389 89
Capital and Surplus	3,281,284 04
Losses Paid to Dec. 31, 1912	40,596,818 01

This company issues contracts as follows :

Fidelity Bonds; Surety Bonds; Burglary, Larceny, and Theft; Plate Glass; Steam-Boiler; Fly-Wheel; Employers', Public, Teams, Automobile, Physicians', Druggists', Elevator, and General Liability; Accident; Health; Disability; Workmen's Collective; Workmen's Compensation

Pacific Coast Department: } California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange
 } San Francisco. Washington and Oregon—SEELEY & CO., 111 S. 10th
 } St. Tacoma; Coleman Bldg, Seattle; Board of Trade Bldg, Portland.



The Prudential Agent

has an equipment of policies that enables him to meet practically every prospect's preferences.

Write us about an agency.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Founded by JOHN F. DRYDEN, Pioneer of Industrial Insurance in America

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



Prevent Losses through dishonesty. Our special short form Insurance Bond guarantees absolute protection.

American Surety Company OF NEW YORK
 The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.

JAMES K. LYNCH, RESIDENT VICE-PRES.

CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

Brewster Cameron, Jr., Acting Mgr. for Northern California and Nevada
 Merchants National Bank Bldg. San Francisco. Telephone Kearney 1099

The new standard form of policy has been completed by the National Insurance Commissioners. The present policy form will be re-arranged and grouped under headings.

The German Union Fire or Baltimore Underwriting Agency has been behind long on a judgment and the creditor demands a receiver as he is not one himself.

You Know a Few Agents
who are not Coast Review readers ---
and who ought to be --- in fact who
would be, if they had their attention
called to the practical value of this

41 - year old Insurance Journal

Send us their names and we will
hypnotize them.

From each new subscriber secured
from your list we will allow you a
good credit on your own renewal
subscription.

THE COAST REVIEW
Merchants Exchange
San Francisco

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

The first office to commence paying losses after the conflagration.

The first office to commence paying in full the face of the policies, without discount, for cash or exchange.

The only general agency that remained in San Francisco where its patrons suffered.

The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.

The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

**Get the Best Insurance While You Are About It
It Costs No More**

January 1, 1913

OLD AND
TRIED

GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,312,945 00
UNDIVIDED PROFITS	2,486,705 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,848,154 00
UNDIVIDED PROFITS	896,217 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,492,354 00
UNDIVIDED PROFITS	439,752 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal

Fire Automobile Marine

COMMERCIAL UNION

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$ 14,750,000
Paid-Up Capital	1,475,000
Total Cash Assets, Gold	56,579,048
Total Liabilities, including re-insurance reserve	46,019,127
Cash Surplus to Policyholders	10,559,921
Total Amount of Claims Paid	175,573,348

Assets in United States Held by Trustees, \$7,643,751

ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE

Security Building, 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

ACCEPT NO SUBSTITUTES

THE COAST REVIEW'S

PACIFIC FIRE CHART 1913

UP to Date, UP to Standard, UP to Reputation

5 YEARS' FIGURES

Capital, Net Surplus, Policyholders' Surplus, Assets, Liabilities, Reinsurance Reserve, Net Premiums, Net Losses, Expenses, Loss Ratio, Expense Ratio, Income and Disbursements, Coast Premiums and Losses and Loss Ratio, San Francisco Premiums, Business by Agencies and Departments, Retired Stock and Mutual Companies, Pacific West Business by States and by Companies, Principal Court Decisions of a Year, American Fire Companies Which Paid No Dividends in 1912, Percentages of Dividends to Stockholders Funds

Tables of Short Rates

STABILITY AND STRENGTH

RESOURCES OVER \$52,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

PACIFIC DEPARTMENT

WILLARD O. WAYMAN---CARL A. HENRY

JOINT GENERAL AGENTS

FRANK E. STONE

MAXWELL H. THOMSON

ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets
San Francisco, Calif.

Branch Offices : Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00 Assets, \$9,268,924.08

WILLIAM J. DUTTON

PRESIDENT

BERNARD FAYMONVILLE

VICE-PRESIDENT

LOUIS WEINMANN

SECRETARY

A. W. FOLLANSBEE, Jr.

MARINE SECRETARY

J. B. LEVISON

SECOND VICE-PRESIDENT

H. P. BLANCHARD

ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

T. M. GARDINER

TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building

Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 84
NO. 5

MAY

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast INSURANCE Review

PROTECTION

An Insurance Journal and Directory

IN ITS FORTY-SECOND YEAR

San Francisco: Merchants Exchange Building

The Only *INSURANCE* Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

New Anti-Rebate Law of California
Coast Review's Pacific Fire Chart 1913

Two Marine Decisions

The Muddy Missouri Situation

Life Companies are Opposing Income Tax on Refunds to
Policyholders

Failure of the Idaho Overland Promotion

A Life Insurance Decision

Board and Non-Board Totals

Coast Fire Business by States

California Marine Totals

Field Men's Directory

Home Begins Its 61st Year with an Underwriter's Annex

California Life Business

California Workmen's Compensation Law

State-Rating Measure in California Dies

Some Life and Casualty Figures

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets
\$58,371,415.00

Assets in U.S.
\$13,739,218.00

LIVERPOOL & LONDON & GLOBE
INSURANCE CO., LTD.

NEW YORK OFFICE, 80 WILLIAM STREET.
H. W. EATON, Manager
G. W. HOYT, Deputy Manager
J. B. KREMER, Ass't Deputy Manager
T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST-VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

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R. P. FABJ, Ass't Manager

CALIFORNIA, NEVADA, OREGON, WASHINGTON, ARIZONA, IDAHO, ALASKA.

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO.

LOUISIANA, MISSISSIPPI, ALABAMA, OKLAHOMA, ARKANSAS, FLORIDA, TEXAS, GEORGIA.

DEUS NOBIS SUBSIGILLUM
DOMINE DIRIGE NOS

Established 1836

Entered U. S. 1

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05

Surplus \$4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144

LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852
Temporarily at
514 California St., San Francisco

JOHN W. GUNN, Manager
R. P. FABJ, Assistant Manager

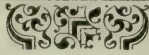
Special Agents:

R. G. BRUSH
W. H. RAYMOND

R. H. ROUNTREE
CHESTER S. MYRICK

HARRISON HOUSEWORTH
F. E. ATKINS

D. B. EDWARDS
GEO. J.




Conflagration-Proof Insurance



Losses paid to date, - - over \$164,000,000

PACIFIC DEPARTMENT



GERMAN AMERICAN. PHOENIX OF HARTFORD
GERMAN ALLIANCE. PROTECTOR UNDERWRITERS.

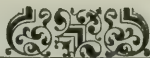
EQUITABLE FIRE & MARINE INSURANCE CO.

GEO. H. TYSON GENERAL AGENT.
HERBERT FOLGER, ASST. GENL. AGENT
SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



SOLICITING INSURANCE FOR
THE MUTUAL LIFE INSURANCE CO. OF NEW YORK
 IS ONE OF THE MOST LUCRATIVE OF CALLINGS

Are you in the business to stay? Choose a Company good enough for you to stay WITH, and strong enough to stay with YOU, during your whole career;

The oldest Company in America, which began business seventy years ago, is bigger, better and stronger now than ever before, and will be still bigger, better and stronger seventy years hence;

Not the company which YOU must introduce, but the Company which introduces YOU wherever you go;

The Company whose better selling qualities earn most for you in the way of commissions;

The company which furnishes the insured the largest protection for his money.

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

. LIFE

Minnesota allows fraternal insurance lodges to secede if two-fifths of the members of half the lodges of the society want to set up an independent society. The majority shall not rule in New Scandinavia.

The first move towards the mutualization of the Prudential was made at Trenton, N. J., when counsel for the company filed a petition asking for the appointment of appraisers to value the company's stock. A hearing will be given June 10th, after which there will be named two or more appraisers.

Seattle.—The Empire is in the hands of a receiver, by request of the receiver of the Columbus Securities Co. Both these companies were criticized by the Coast Review when they were quick. Preparations are being made to bury both corpses.

FIRE

The Missouri companies, which are in a peculiar position under the new law, will be able to write risks only after correspondence concerning the rates of every new risk submitted.

A. F. Shaw, United States manager of the Law Union & Rock, has resigned. This company is to pursue a more vigorous policy in this country. Mr. Shaw feels unable to devote to its service the time required.

The American of Newark, which is a Bureau company in that field, quickly announced its suspension of business in Missouri, because of the recent drastic legislation. It did not wait for the Bureau to take action.

The annual meeting of the National Board of Fire Underwriters is to be held in the Waldorf-Astoria, New York, on May 22nd.

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00
Net Surplus, 295,338 00
Total Assets, 1,278,845 00

OFFICERS

W. E. DEAN, President
 GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
 GEO. L. PAYNE, Treasurer

HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.

Special Agents and Adjusters

J. W. WARNER, San Francisco
 A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

**Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
 and at the rate of "Dollar for Dollar."**

Western Department, Chicago, HENRY J. WOESSNER, Gen'l Agt.
 Eastern Department, Philadelphia, FRANK C. STURTEVANT, Manager.
 Middle East Department, Pittsburg, LOGUE BROS. & CO., Gen'l Agts.



LTD.
 OF LIVERPOOL, ENGLAND.
 INCORPORATED 1861

PACIFIC DEPARTMENT - - - 332 PINE ST.
 SAN FRANCISCO, CAL.

JAMES WYPER, - - - Manager

**THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM
 AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES**

Pacific Coast Casualty Co.

Of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00

Assets, : : 1,231,513 10

E. F. GREEN President
CARL G. BROWN Vice-President
H. A. BAUER Secretary

DIRECTORS.

Henry E. Bothin	E. F. Green
Edward L. Brayton	Carl G. Brown
Marshal A. Frank	J. H. Bennett
Allen I. Kittle	Geo. W. Turner
F. P. Deering	H. W. Goodall
W. P. Johnson	

**Head Office: Merchants Exchange Bldg.
San Francisco**

ACCIDENT

Unsuccessful efforts were made to repeal the Missouri law which makes accident companies liable for suicide claims.

The talk of making an extra charge to automobilists on personal accident insurance is taking more definite form. One large company has already issued a new policy that discriminates against drivers of cars, and another big company plans a similar action.

PLATE GLASS

Much bitter feeling among the plate glass companies in the flood districts of Ohio and Indiana has been caused by two of the companies paying losses due to the flood, while there was a general agreement arrived at in a meeting, that the companies would not pay such losses, inasmuch as the policy specifically excluded losses due to floods.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-one Years for

Low Rate of Mortality

Economy of Management

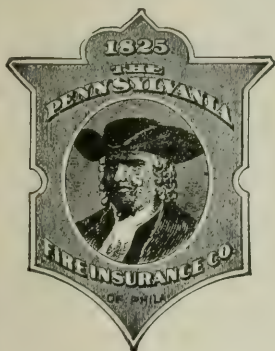
Prompt Payment of Claims

GROSS ASSETS, OVER - - - \$18,200,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Hellman Building) LOS ANGELES, Cal.



The
Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop

COAST REVIEW POSTERETTE

A
MAN AFRAID

IS A

MAN UNMADE

The Uninsured Man Is Always Afraid

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company
his leader. That company is certain to
be the Continental = = = = =

HENRY EVANS, President

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A. G. NASON & CO., San Francisco

F. P. WILSON, San Francisco

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W. A. WILLIAMS, Portland

G. L. A. LAUER, Seattle

J. A. CARLSON, Spokane, Wash.

J. C. WICKLER, Sacramento

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



FOUNDED 1806

Funds Exceed - - - \$ 46,000,000

Annual Income Exceeds 6,500,000

Claims Paid Over - - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BROJENSTEIN California, Nevada, Colorado and Utah.

APPLICATIONS FOR AGENCIES INVITED

Mexico

Nearly half the population of this "Republic" are half-breeds (Mestizos) and a third are full-blooded Indians. Only one-sixth of the inhabitants are white, and they, generally, are turbulent and revolutionary. Foreigners are not liked. At presidential elections the Indians abstain from voting. Votes not acceptable to the powers that be are not registered. Therefore the only ways to remove presidents are by assassination and by revolution. The population numbers 20,000,000.

Uncle Sam had Mexico once but wisely returned it to the alleged owners. He can have that country now but he doesn't want it. Some day, not far away, he must establish some kind of a protectorate and put a stop to the disgraceful reign or revolution, murder and assassination.

As was expected, the industrial companies are receiving most of the death

claims from the flood districts. The companies are aiding the sufferers by granting additional time for the payment of premiums falling due, while several of the leading companies have liberalized their loan provisions for the benefit of policyholders in the district who need such help.

A total insurance of \$24,000,000 is sought on the world-famous collection of art objects and paintings of the late J. Pierpont Morgan, by the executors of the estate.

There is quite a little discussion in fire insurance circles as to the effect which tariff reductions will have on the moral hazard of various industries.

In Hawaii there is a lively competition between board and non-board companies.

The Travelers announces that it will pay approximately \$40,000 because of the Omaha tornado and the Ohio flood.

ESTABLISHED IN 1845

Prussian National

Insurance Company

(OF GERMANY)

CAPITAL, . . . \$2,250,000.00

ASSETS, . . . 5,130,876.07

United States Branch

171 LaSalle Street, Chicago

HAROLD W. LETTON,

General Manager

JOHN A. PRINSEN, General Agent

315 South Broadway

LOS ANGELES, CAL.

The

Metropolitan

Life

Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

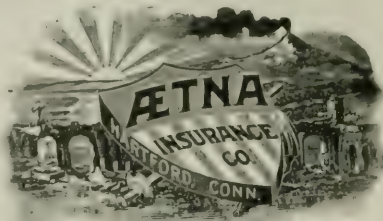
Pine and Stockton Sts.

SAN FRANCISCO

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00
 Net Surplus
 \$8,238,392.50
 Surplus as to
 Policyholders
 \$13,238,392.50



Cash Assets Now
\$23,051,531.36
 Losses Paid
 in
 94 Years
\$132,981,553.48

All Losses Paid in Cash Without Discount Immediately Upon Adjustment

W. H. BREEDING, General Agent

E. S. LIVINGSTON, Asst. General Agent

**Main Office, 301 California Street
 -SAN FRANCISCO**

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR

This Company has absolutely no connection with any other corporation bearing the name of AETNA.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21
 Surplus to Policyholders 10,513,692 22
 Losses Paid, Over . . . 158,607,806 00

PALACHE & HEWITT, General Agents

ADAM GILLILAND, Assistant General Agent

+ 30 California Street, SAN FRANCISCO

Special Agents and Adjusters

J. J. DENNIS
 P. H. GRIFFITH
 WILLIAM S. DENNIS
 NEIL STEWART

C. E. MILLER
 M. E. SPAULDING
 J. HENRY WOLBOLD

GEO. E. DEVINE
 R. E. DOLLARD
 L. H. EARLE

May, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 42d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 84

San Francisco, California, U. S. A.

Number Five

Entered at San Francisco Postoffice as second-class mail matter

Do not assume that your cheaper employees have any mind—not yet, perhaps never.

‡‡

There are only two classes of men: those who create and those who imitate.

‡‡

The diamond is the hardest stone—but the toughest is Jimmie, the ex-president of the American Union Fire.

‡‡

Rubies, sapphires and oriental emeralds, amethysts and topazes are now made “to order,” duplicating the natural gems.

‡‡

Any old company that isn’t young in the spirit of its management “is on the way.”

‡‡

The Show-Me State was shown, though it shone not.

‡‡

The new secretary of state at Washington is a pronounced enemy of insurance by the wicked corporations. He has publicly expressed himself as heartily in favor of all kinds of insurance by the state. He also has spoken in favor

of government ownership of the railroads. The government does everything well. In San Francisco it has taken only seven years to get “nearly” ready to build a sub-treasury building on government land.

‡‡

Life insurance ought to be popular in Mexico.

‡‡

Don’t allow anybody to run you down. Not even an automobilist.

‡‡

Queer, isn’t it, that we all say: “he owns his own.”

‡‡

Fire losses are increasing on this Coast. Why?

‡‡

Two more Western life companies are preparing to consolidate.

‡‡

These college professors are forging ahead. One is president at Washington, another is insurance commissioner at Denver, and another is in jail for forgery.

‡‡

Nothing is more ridiculous than a congressman—except a legislator.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

MARINE

Federal—Federal Ins. Co. et al. v. Detroit
Fire & Marine Ins. Co. et al., 202
Federal Reporter 648

Subrogation of Insurer

The right of an insurer of a vessel which has paid a loss resulting from collision to subrogation to the rights of the owner in any damages recovered from the other vessel in collision arises in equity from the nature of the insurance contract as a contract of indemnity, and no provision therefor in the policy is necessary.

Suit for Collision—Rights of Non-Joining Insurers

Certain of the insurers of a vessel sunk in collision, after paying their share of the loss, refused to join with others in authorizing a suit against the other vessel in collision or to share in the expense of such suit. A number of those so refusing were insurers also of the libeled vessel, while others were not, and those who were contributed to the defense of the suit. Held, that they did not thereby lose their right to their share of the damages recovered, which was at least equal to that of the non-assenting insurers, who were interested only in the sunken vessel.

Suit for Damages—Distribution of Recovery

Where the libel in such suit was filed by the owner of the vessel, in its own behalf and as representing the insurers, for an amount exceeding the insurance, but, owing to a division of the damages, the recovery was less than the insured value, the suit with respect to the amount recovered was wholly of a representative character, and libellant holds the entire sum as trustee.

Suit by Owner for Benefit of Insurers—Right of Non-Assenting Insurers to Share in Recovery

A steamship sunk in collision, her cargo and freight, were underwritten by sixteen insurance companies in varying amounts, and each paid its share of the loss. The owner, at the request of some of the insurers,

addressed letters to the others, stating that it was about to libel the other vessel in the collision, and asking if they desired the suit brought and would share in the expense and risk. It further stated that the suit would be brought in its name for the entire damage; that, if unsuccessful, the interests not authorizing it would not be asked to contribute to the expense, but, in case of recovery of all or part of the damage, the interests authorizing it would claim the right to deduct the expense of the litigation before division of the sum recovered. Eight of the insurers assented to the suit, and eight did not. Some of the latter were also insurers of the libeled vessel and contributed to the defense of the suit. The libel averred that it was filed by libellant as owner, and "for the benefit of its insurers," cargo owners, and crew. The loss proved largely exceeded the amount of the insurance; but the suit resulted in a decree finding both vessels in fault and dividing the damages, the amount recovered by libellant being less than the insurance. Held, that such recovery, which under the libel covered all interests, inured to the benefit of all the insurers ratably, and not of those only who gave their assent to the suit, and that each whether assenting or non-assenting, was entitled to its share thereof after deducting the costs and expenses of suit.

Distribution of Fund Recovered—Intervention By Insurers

A marine insurer, claiming by subrogation an interest in a fund recovered by the insured in a suit for collision, may intervene and assert such claim at any time before the fund is distributed.

Federal—Listers Agricultural Chemical
Works v. Home Ins. Co., 202 F. R. 1011

"Perils of the Harbor"

Damage to a lighter by concussion when navigating New York Harbor, caused by an explosion of dynamite which was being

loaded from a near-by pier on another vessel, was not due to a "peril of the harbor," within the meaning of a marine policy insuring her against such risk, but excepting loss from boiler explosion, and containing a warranty against her carriage of gunpowder or other explosive. The policy in suit simply insures against perils of the harbor. It does not add "all other perils and losses," as in the case of many policies. It also affirmatively exempts losses caused by boiler explosions, and warrants against the carriage of gunpowder or other explosives. If the boiler of the lighter had exploded, obviously no recovery could be had upon this policy. If the dynamite which exploded had been in course of transportation on the lighter, no recovery could be had. Suppose the lighter had been injured by a projectile fired from a cannon situated a mile inland from the shore of the harbor, or that a steam boiler on shore had exploded and a part of it had fallen upon the lighter, could it be claimed that such an injury was a peril of the harbor within the meaning of the policy? The court thinks not. Yet such an injury seems to be quite analogous to that upon which this suit is based. Obviously the insurance company did not intend to be responsible for any explosion on board. It inserted in the policy provisions exempting itself from such liability, and the insurer, by accepting the policy with such provisions, agreed to them. It seems that the inference is still stronger that injuries occurring from such explosions which have taken place away from the lighter and especially on the land were not covered by the policy.

FIRE

Utah—Progress Spinning & Knitting Mills Co. v. Southern Nat. Ins. Co.,
130 Pacific Reporter 63

Additional Risk

Where a policy issued upon a building described as a water power woolen mill provided that it should be void if the hazard was increased by any means within the control or knowledge of the insured, the policy became void upon the insured's beginning the exclusive manufacture of cotton bats,

which was much more likely to cause fire than manufacture of woolen goods.

Waiver

A condition in a policy that it should become void if the risk be increased by any means within the control or knowledge of the insured, being for the benefit of the insurer, may be waived.

"Waiver"—What Constitutes

A waiver of a condition in a policy operates as an estoppel on the party who waives, and it is not essential that the party in whose favor it is made must prove all the elements of an estoppel in pais, consequently a condition in an insurance policy that it should be void if the hazard was increased by any means within the knowledge of the insured is not waived because the agent of the insured inspected the property which was described as a woolen mill about a year before the fire, and before the insurer had begun the manufacture of cotton bats which caused the conflagration.

Oklahoma—Commercial Union Assur. Co., Limited, of London, England, v. Shults, 130 Pac. Rep. 573

Proofs of Loss—Necessity

Where an insurance policy contains the provision that, in case of loss by fire, the insured shall give notice of such loss and shall within 60 days make verified proof of loss in writing, and where the policy makes a compliance with such provision a condition precedent to an action, held, the right of action does not mature until such provision has been complied with or waived; and, where under all the proof it appears that such provision has neither been complied with nor waived, the insured cannot recover.

West Virginia—Seyley v. British America Assur. Co., 77 S. E. Rep. 555

Waiver of Right to Forfeiture—Evidence

Delay on the part of an insurance company in acknowledging the receipt of a proof of loss or rejecting it on account of defects therein, is not evidence of denial of liability on the policy on grounds other than non-compliance with proof of loss clause, nor of waiver of a limitation of the policy in favor

of the company, forbidding an action on the policy within 60 days after compliance with all of its conditions.

Forfeiture—Change of Title

The execution of a deed of trust or mortgage on insured property does not constitute a change of title or change of interest, within a provision for forfeiture in such event.

The plea attempting to assert a forfeiture, on the ground of a change of the title or interest of the insured, by reason of the execution of a deed of trust, constituted no defense. According to the great weight of authority, the execution of a deed of trust or mortgage on the property does not constitute either a change of title or change of interest, within the meaning of the clause relied upon. *Cooley's Briefs, Law of Ins.* vol. 2, pp. 1738, 1739; *Judge v. Insurance Co.*, 132 Mass. 521; *Taylor v. Insurance Co.*, 83 Iowa 402, 49 N. W. 994; *Peck v. Insurance Co.*, 16 Utah 121, 51 Pac. 255; *Koshland v. Insurance Co.*, 31 Or. 402, 49 Pac. 866.

Fire Legal Brevities

A misstatement of fact in the proof of loss, made after the insurer and insured have settled the damages in dispute, is not a proper subject of suit or defense, where the insurer did not rely on the misstatement, and it was perfunctorily made without fraudulent intent.—*Springfield Fire & Marine Ins. Co. v. Peterson*, 140 N. W. 760.

LIFE

Wisconsin—*Northwestern Mut. Life Ins. Co. v. Wright et al.* 140 N. W. Rep. 1078.

Delivery

In every transfer of title from one person to another, there must be an actual or constructive delivery of the thing, or paper title thereto, with intention to pass title, and an actual or constructive acceptance, so as to end dominion on the one side and create it on the other.

Sufficiency

In order to pass title, no physical transition of the thing involved or paper representing it is necessary; acts or words, or

both, showing an intention to part with title in and dominion over the thing or paper calling therefor, being sufficient.

No particular act on the part of a vendee or assignee is necessary to a "delivery"; a delivery to a third person and acceptance by him constituting a delivery to the new owner, where the transaction is beneficial to the new owner, even though the new owner has no present knowledge of such delivery, an acceptance by him being presumed until the contrary is shown.

Semi-Tontine Policy

Where the holder of a semi-tontine policy executed an assignment, reserving the right to exercise any of the options as to the surplus permitted at the expiration of the tontine period, in duplicate, attached the copy marked "original" to the policy and sent the one marked "duplicate" to the insurer, thereafter recognized the interest of the assignees by applying for a loan, and, on being informed that the consent of the assignees would be necessary, abandoning the matter, made declarations that he had provided for the assignees out of the insurance, and, although he showed much concern for their pecuniary welfare, failed to mention them in his will, the facts sufficiently showed an intention to pass title to the assignees, although he retained possession of the policy.

Sufficiency of Consideration

Love and affection was a sufficient consideration to support a policyholder's assignment of the policy to his mother and sister.

Partial Assignment

An assignment of a semi-tontine policy, authorizing the policyholder at the expiration of the tontine period to exercise certain options as to the surplus, was not invalid because he reserved to himself the right to exercise such options; it being competent for him to assign part and retain part.

Where the holder of a policy, permitting the exercise of certain options as to the surplus at the expiration of the tontine period, executed an assignment in duplicate, reserving the right to exercise such options; with intent to transfer the title to the assignees,

the delivery of one of the duplicate assignments to the company was a sufficient delivery to the assignees, although he retained possession of the policy; this being consistent with a transfer of title in view of the interest retained by him.

An Accident Decision

Oklahoma—Continental Casualty v. Wynne,
129 P. Rep. 16

Notice of Accident

Where an accident policy provided that in case of an accident the insured should, within 15 days thereafter, give notice of the same to the insurance company at its office issuing the policy, held, that evidence that insured, within four or five days after the accident, wrote a letter to the company, at its issuing office, advising it of his injury, and that the company, on the nineteenth day after the injury, replied thereto, inclosing blanks and requests for detailed information, without mentioning the date it had received insured's notice, and making no claim that it was not received within 15 days, was sufficient evidence to warrant the jury in finding that notice had been given as required by the policy.

Total Disability

"Total disability," under the provisions of an accident insurance policy, does not mean absolute physical inability on the part of the insured to transact any kind of business pertaining to his occupation. It exists, although the insured may be able to perform a few occasional or trivial acts relating thereto, if he is not able to do any substantial portion of the work connected with his occupation.

Accident Legal Brevity

Plaintiff, holding an accident policy insuring her against a Pott's fracture while a passenger in a public conveyance, including the platform, steps, or running board, who sustained such fracture while in the act of alighting from a public conveyance, held entitled to recover.—*Gibson v. Casualty Co. of America*, 140 N. Y. S. 1045.

The Wisconsin legislature has adopted a joint resolution providing for the submission

of an amendment to the constitution permitting the state to engage in various forms of insurance. Another joint resolution adopted asks congress to enact legislation permitting the federal government to engage in the fire, life and accident insurance business. Why not banking too? and baking and hotel keeping? and restauranting and warehousing and merchandising?

Husband's Insurable Interest

A husband has an insurable interest in a dwelling occupied by himself and family, though title is invested in his wife. His recovery is not limited by the value of his insurable interest. Recovery of the full loss covered by the policy is proper.—140 N. W. Reporter 321.

Vacancy

A clause in an insurance policy that liability of insurer shall cease if building becomes vacant or unoccupied for ten days held applicable where the building becomes vacant by reason of fire.—86 A. 399.

Rights of Mortgagee

The rights of a mortgagee in an insurance policy held not affected by the refusal of the mortgagor to make proof of loss.—*McDowell v. St. Paul Fire & Marine Ins. Co.*, 101 N. E. 457.

An indorsement on the face of a policy, "loss, if any, first payable to mortgagee as his interest may appear," in the absence of a mortgagee clause, does not import an undertaking to pay the mortgagee, independent of that to pay the insured or the mortgagor.

An indorsement on the face of a fire policy, "loss, if any, first payable to mortgagee as his interest may appear," imports that the interest of the mortgagee is greater than that of a mere naked appointee.

An indorsement on a fire policy, "loss, if any, first payable to mortgagee as his interest may appear," held to bring the mortgagee within the terms of the standard fire policy, binding the mortgagee as to the conditions of insurance, etc.—*Id.*

LIFE INSURANCE

The Maybrick Case

In 1889 Mrs. Maybrick, an American woman the widow of an Englishman, was indicted at Liverpool for the murder of her husband by "arsenical poisoning." She was convicted and sentenced to death. The Mutual Reserve Fund Life Association in which Mr. Maybrick was insured for \$20,000 believed the widow innocent of the crime and advanced her the money for legal expenses.

The capital sentence was commuted to imprisonment for life. Mrs. Maybrick's attorney was Sir Charles Russell, "the first Catholic attorney-general since the Reformation," and afterward lord chief justice of England.

There was no direct evidence of poisoning by Mrs. Maybrick. Only an infinitesimal quantity of arsenic was discovered in the body after death, and none in the stomach, bile, heart, spleen, etc. Maybrick was an arsenic eater. A local druggist had for years supplied the deceased with arsenical drinks. The symptoms were those of gastroenteritis. Russell appealed to home secretary after home secretary for the release of Florence Maybrick, but in vain. Her famous attorney said she had been suffering imprisonment on the assumption that she committed an offence, for which she was never tried by the constitutional authority, and of which she had never been adjudged guilty. One home secretary said there was room for doubt whether any murder had ever been committed, but that he came to the conclusion that the accused had attempted to commit murder. To the day of his death Lord Russell insisted that the woman ought to go free.

During the reign of Edward VII. Mrs. Maybrick was pardoned, and with her mother returned to this country and is now living in New Jersey.

Pensions by the government are in

the near future in this country—because the life companies have not devised and fortified by investment restraints pension policies or monthly income policies especially for children and aged persons. And government pensions will hurt life insurance and may lead to government life insurance.

The first thing to do is to get the attention of the prospective applicant. This secured, place your subject before him in a sufficiently tactful way to create an interest.

After getting out the application blank, which should be as soon as feasible, begin asking questions. This is to get his mind to follow yours and not to wander away from the subject of insurance. Try such questions as you know he can easily answer, as, "You were born in this state, I presume?" and when the reply comes, follow it up with, "You are — feet tall and weigh about — pounds." Your prospect, of course, now sees the trend of your questions, and if you have really interested him, he will willingly answer your further queries as to the condition of health, etc.—Prudential Record.

The general impression prevails that life insurance solicitors are too persistent. While I agree that there is a proper time and place for the transaction of all kinds of business, and that every business man should have the proper consideration for the rights of those with whom he seeks to do business, I must insist that the business of soliciting life insurance, while it requires great earnestness and determination of purpose, is no greater than is required, or necessary, to succeed in other professions and business occupations. Vice-Pres. Baker of Pacific Mutual.

Life Men and the Income Tax

Washington, D. C., May 19.—Declaring that the income tax section of the tariff bill still contains gross discrimination against policyholders, life insurance men will focus on an effort to have the senate grant further relief to premium payers. The income tax legislation, which is now before the senate, came from the house with several substantial amendments granted in response to the requests and arguments of representatives of the life insurance business.

House leaders make much of these amendments, claiming that they answer all the just claims of the insurance men. It is conceded by the life insurance representatives that the amendments already granted are substantial and make clear that such onerous burdens as taxes on net annual addition to reserves and on proceeds of life insurance contracts will not be imposed. But they claim that other things in the bill still discriminate harshly against the men who carry life insurance and should be remedied, if the measure is to be logical and consistent.

"Our plea is not for discrimination in favor of life insurance policyholders," said Robert Lynn Cox, general counsel and manager of the Association of Life Insurance Presidents, today. "What we urge is that there shall not be discrimination against the policyholders. In the first place, there is in this bill what may be termed national discrimination against policyholders, since it allows to the individual taxpayers of this country no deduction from taxable income of any amount paid for life insurance premiums. The income tax laws of other countries—laws which have been in operation for many years—specifically provide for such exemption to the taxpayers of those countries.

"Secondly, the bill discriminates against policyholders as compared with other classes of persons within this country. The case that can be presented in behalf of policyholders on these issues is clean-cut.

"The task now in hand is to show the senate leaders that the income tax section is strangely discriminatory against policyholders and their interests. It is difficult

to believe that this discrimination is not intentional, for it is brought about only through the utter violation of the principle supposed to dominate this legislation and has been adhered to in the face of much explanation and criticism. The avowed intention of the bill is to exempt from taxation all incomes under \$4,000. In most particulars throughout the bill there is a close adherence to this principle of exemption, but when we reach the life insurance portion of the measure there is an abrupt departure from it. I refer particularly to the provision for the taxation of so-called dividends on life insurance policies. It is proposed to tax such dividends irrespective of the point whether they are returned to persons having less than \$4,000 income or more than that amount. Of course, it will be argued that the amount involved to the individual policyholder is on the average trifling. But when we multiply it by the millions of provident persons holding life insurance policies we realize that a considerable burden in the aggregate is added to the cost of such insurance, and this burden, it should be remembered, is absolutely out of harmony with one of the avowed objects of the bill."

The Pacific Northwest Insurance Congress will be held in Seattle on June 2 and 3, under the auspices of the living life associations of Seattle, Portland and Tacoma. I. A. Nadeau will preside and J. C. Reid will secreteare.

The letter of President Day of the Equitable Life on the income tax as affecting life insurance is masterly and convincing.

The Metropolitan Life's gain of more than \$45,000,000 in assets last year is the largest made by any company.

A bill has been introduced in the Illinois legislature to establish a state system of life insurance, the policies to be limited to \$1,000 and to be issued to people at all ages without medical examination. No agents are to be appointed, but the county judges are to name a collector in each election district.

The N. Y. state ins. dept. has criticised the B'Brith Abraham fraternal insurance society.

FIRE INSURANCE

Water Famine Predicted For San Francisco

Two dry years in succession, together with increased population and the leaky mains and reservoirs, combine to shorten the water supply of San Francisco, and menace it with a water famine. The city engineer recommends the installation of meters for every rate payer. These meters will cost \$700,000, which the city will be asked to pay for, in anticipation of acquiring the Spring Valley water works.

Tornado Storm Due to Lightning?

An organized effort is being made, backed by the Bar Association of Omaha, to collect about \$5,000,000 in claims from the fire insurance companies for the tornado losses sustained recently in that city. The claim upon which the proposition is based is that the storm was accompanied by lightning, and that claim can be made that the loss was due to lightning and not to tornado. Why not claim that the loss was due to a tornado started by the sun, which is a fire engine.

Serious Charge at Last

Collier's rotten risk writer charges the New York Fire Insurance Exchange with indirect responsibility for the burning of a shirt-waist factory with the loss of 146 lives. The story and argument are: the exchange withdrew all brokers' licenses from men (insurance engineers) who installed sprinkler systems without cost provided that for a number of years they should place the insurance and keep for themselves the difference between the present rates and the lower rates for sprinkler protection. Had the exchange not taken such action this shirt-waist factory would (not might) have had a sprinkler system and there would have been no loss of life. But similar offers of "full instalment of sprinklers" have been made in New York and San Francisco—and are being offered on this Coast—only to be met with a refusal by property owners who hope for lower rates anyway!

Law Union & Rock

The United States branch of this old British company increased its assets, reinsurance reserve, surplus and premium income last year. Manager Smith of the Pacific department also made an increase in premium income. Over a third of the American assets of this company are surplus funds. The American business will be extended notably in the near future.

Declining Average Coast Premiums

The companies in this field have increased in number, and the average Coast premium income per company fell last year from \$272,705 to \$249,806. The total premiums were about the same, and the risks written increase \$86,407,291.

The average California premium income per company fell from \$158,891 to 138,046. The total of risks written and the total of premiums received increased somewhat.

The fire loss bulletin of Texas for the months of December to April inclusive gives a total number of 27,000 fires during those months in that state with 19,359 of them preventable fires. The largest number of fires occurred in frame dwellings occupied by the owners, that number being 6,778. The total number of known incendiary fires was 887.

The Orr anti-trust law, passed by the last Missouri legislature, becomes effective June 24. It prohibits all rating organizations and conferences. No two agents dare to confer respecting a rate, nor can two agents agree as to what rates should be charged for any risks. The agent and his company are alike liable if he uses any insurance rate or makes use of any rate book, paper or card containing any insurance rate, or any publication kept or furnished by any person, association of persons or bureaus employed by, or representing or acting in behalf of any other insurance company or association in and about the making and publishing of insurance rates, for use in any portion of Missouri.

There Is Possibility of a Cyclone Caused Conflagration

The cyclone is a huge "cloud spout" with a funnel-shaped end. It whirls over a narrow strip of territory, with the speed of an express train, and is often deflected or attracted to the right or left. The center of the cyclone appears to be a vacuum. Heavy objects are carried up in it. Creeks and even wells are sucked dry. Possibly there is an electrical condition which is attracted by water, for it has been observed that a cyclone rushing over a prairie will swing away to a forested stream and will follow it and disappear in the distance and be no more head of.

The Missouri and Mississippi valleys are the "homes" of the cyclones. Cities are as likely to be the victims as towns, hamlets or the lonely farm house. Some years ago a cyclone ripped across St. Louis and did great damage. Brick buildings were unroofed or thrown down. Front walls fell outward into the street as if the storm had left a vacuum behind it. Kansas City has suffered serious losses. A few days ago Omaha was dreadfully damaged by a cyclone, and fire broke out at a time when the fire department could do very little. Fortunately, a heavy rain followed the wind.

This brings us to the point which we have made before. It is this: it is as possible for a cyclone as for an earthquake to throw down buildings and start fires. Some day a cyclone may start fires which no friendly downpour will extinguish! Insurance rates in the wide cyclone area do not include this hazard.

By the way, it is a fact of possibly some significance that the areas affected by a cyclone and by an earthquake are of about the same dimensions. Possibly both are caused by electric conditions.

Dear Mr. Beach: "If you worked for a firm and the firm had a fire, and during the time of the fire much water was poured into the building, and while this was happening it occurred to the members of the firm that it might be profitable to change the position of a portion of the stock so that it would

really get more water than was coming to it, and you were asked to help in the moving, and you did help, and as a result the firm collected about \$4,000 more from the insurance companies than they otherwise would have done, and after the adjustment had been made and the \$4,000 paid by the insurance companies to the firm, do you think it would be about right to hold the firm up and get, say, 10 percent, or \$400, as your share of the rake-off?"

Ans.—Yes, I think \$400 would be about right, and I furthermore think you would "get" about seven years if the insurance companies were let in on the secret and the case were tried in this state.—Beach's Magazine.

Remarks.—Oh-ho! Yet all the while already we know of a case up North where the insured boss, after the fire, had his employees wet down undamaged goods with buckets of water to increase the water damage claim. The chief offender walks the streets today a free man, a respected, but not respectable "retired" merchant. His old firm has no trouble in procuring all the insurance needed.

Fire insurance companies are always pleased by the conviction and punishment of incendiaries. The companies' representatives always aid the authorities in securing evidence of arson. But, unfortunately, by initiating suits against suspects the companies, as proved in the past, lay themselves liable for damages if the sympathetic jury acquit the accused. Acquittals sometimes follow the introduction of very convincing evidence of guilt.

He Is Not Insured

In the event of a great conflagration any policyholder who then or about then suffers a fire loss will find that he is not insured if his company has assumed greater liability than its loss-paying ability—as too many companies do. The reinsurance fund, by the way, cannot be used to pay conflagration losses.

Proper Vice

From a Paper by T. H. Williams, read at the 37th Annual Meeting of the Fire Underwriters' Association of the Pacific

This subject was ably discussed by Mr. Bernard Faymonville, before this Association, February 20th, 1888, and I am indebted to him for the valuable information his paper contains.

The policy contract plainly states that there can be no claim for loss except as a direct result of fire, yet we are continually being called upon to pay losses which are in no way contemplated under the contract. The claims are usually small but the pressure of the agent or broker is so great that we yield.

Some companies insist upon their rights, but they are very often placed in an embarrassing position by other companies which admit liability through fear of losing a few premiums. If all companies would stand firmly upon their rights no claim would be made.

Fires originate from three primary causes, Accident, Carelessness and Design.

Accidental

Accidental losses are from natural causes without the immediate willful intervention of human aid; such as poorly constructed chimneys and fireplaces, defective stoves, terra cotta flues, heating apparatus, electrical apparatus and wiring, friction of machinery, explosion, spontaneous combustion and many other causes.

Carelessness

Carelessness from dropping lighted matches, cigar and cigarette stubs into combustible material, the use of the criminal parlor match, stoves, steam and electrical apparatus placed too close to woodwork, using gasoline near an open light, filling lamps or stoves while lighted, etc.

Design

Design when the insured deliberately sets fire to the premises, or does not protect the property during or after a fire.

We are responsible for some losses occasioned by accident and carelessness and while we are not liable for those caused by design, we are paying for them because our laws are such that it is exceedingly difficult to prove arson. You can convict a man of murder on circumstantial evidence, but it takes direct evidence to prove arson and

even if proven, the jury is very apt to decide in favor of the insured against the rich corporation.

It is not the above class of losses which prompted this paper. It is losses where no effect from direct ignition can be shown, and which come under the head of "Proper Vice."

Proper Vice

"Proper Vice" means a result which would naturally occur, as, physical corruption, moulding, spotting, dampness, discoloration, decay, heating, spoiling, evaporation, fermentation, shrinkage, souring, breakage, leakage, smoking of a lamp, stove, or fireplace.

Direct Loss

In the policy contract we agree to indemnify for direct loss by fire arising from accidents, and not from the inherent qualities or natural defects of the thing insured, or that which is consumed by its own combustion.

The courts are unanimous in their opinions that the words "direct loss or damage by fire" mean loss or damage occurring directly from fire as the destroying agency, and not from any other cause. The word "direct" meaning "immediate" or "proximate" and not "remote."

Why should we not be as liberal to ourselves as the courts are and refuse to recognize claims which are not legitimate?

Richards, in his book on "Insurance Law" (page 284), defines what is meant by "direct loss by fire" as follows: "Loss by fire means the result of the ignition of the property insured or of some substance near to it. If the fire is in no respect a hostile fire, that is, if the fire itself does not pass beyond the limits assigned for it, as for example: a stove, furnace, lamp or similar receptacle intended to hold fire, then the results of smoke and heat, where there is no ignition outside the agency employed, are not covered by the policy. If the fire extends beyond the place where it belongs it becomes a hostile fire, which, indeed, is the peril insured against."

In the case of the American Towing Company vs. the German Fire Insurance Company, 74 Md. 25, 21 Atl. 553; the court said, "When fire is employed as an agent, either for the ordinary purpose of heating the building, for the purpose of manufacturing, or as an instrument of art, the insurer is not liable for the consequences

thereof, so long as the fire itself is confined within the limits of the agencies employed, as from the effects of smoke or heat evolved thereby, or escaping therefrom, from any cause, whether intentional or accidental. In order to bring such consequences within the risk, there must be actual ignition outside of the agencies employed, not purposely caused by the insured, and these as a consequence of such ignition, dehors the agencies.”

A lamp is not a fire when no ignition occurs outside of the lamp; this rule applies to any claim where no visible damage by fire can be seen. There must be a flame or there is no fire. We recognize claims for smoke and water damage, where an actual fire was in progress either on the premises or on those adjoining, whether the fire was caused by accident, carelessness, or design; but a flame must have caused the smoke and (or) the necessity for the water to extinguish it.

An insurance contract should be interpreted as other contracts are with this exception: the intention of the insured must be given consideration since he did not draw up or sign the form on his policy; but this does not mean that we should ignore its printed conditions and admit of a loss which is clearly not covered under the contract. Varying the terms of a policy to suit each case is a dangerous precedent to establish, and it may be most embarrassing and costly at some future time.

Electricity

Electricity probably illustrates better than anything else what is meant by “Proper Vice” as it destroys the wires, or other avenues through which it passes, and, as a rule, causes no loss or damage to other property. We have attempted to limit our liability for loss caused by electricity, with the electric current clause, by excluding any loss to the wires or machinery caused by the electric current within it; but we are liable for any loss or damage from fire after it leaves the electrical apparatus. The electric current clause is not interpreted the same by all adjusters and disputes frequently arise during an adjustment on electrical machinery as to where the clause applies. There can be but one interpretation, and that is, that all wires and machinery which were destroyed by the electric current are not covered; and that

all other apparatus or machinery which were not injured by this current and were damaged by fire, however caused, are covered. For example, we are not responsible for loss to the wires of a switchboard caused by their burning out, but we are liable for the damage to the board itself. We are not responsible for wires of a motor, rheostat or starting device which has been burned out; but we are liable for damage for everything connected with it. We do not replace incandescent bulbs or carbons destroyed by burning out; but if they ignite wood-work or anything else, we are liable for such damage.

Electric Devices

The electric iron has caused numerous losses of late and in nearly every case the adjuster has allowed for the iron in addition to other articles destroyed. We are not responsible for the units of the electric iron because they were destroyed by the qualities which make it of value. The electric water heater, toaster, bed warmer, stove and other heating devices are coming into general use and they will undoubtedly cause many fires. We should refuse to pay for the article itself and only pay for the damage done by it. The electric current clause should be made a part of every policy form and especially those covering the contents of dwellings, hotels, and restaurants, in order to properly protect the interests of the company.

Overheated Ovens

We would not consider a claim for a roast which was burned in cooking, or in fact for anything which was consumed by fire in a receptacle which in the nature of things would consume it, if proper care and attention were not given, yet it was necessary for the courts to decide that a loss to sugar by the heat of the usual fires employed for refining, being increased inadvertently, was not a loss under a fire policy. In this case the court said: “There was no more fire than always exists when the manufacture was going on. Nothing was consumed by fire. The plaintiff’s loss arose from negligent management of the machinery. The sugars were chiefly damaged by heat, and what produced that heat? Not any fire against which the company insured.”

Oil Lamps and Stoves

Hardly a month passes that we are not called upon to pay a claim for damage caused by a lamp in which the wick was turned too high, and covered the walls and furniture with an oily smoke and soot. No fire occurred outside of the lamp and nothing was burned; but the agent or broker thinks the claim should be paid because the insured is a good customer. Many of these claims have been paid; but it is wrong from every stand-point. The companies should stand firm and refuse to consider claims of this kind. Two cases of this character have been referred to the courts and in each case they held there was no liability.

Stoves

Stoves for cooking purposes are frequently placed so near the wall or wainscoting, that heat therefrom blisters the paint. We are not liable for a loss of this kind unless the temperature is raised to a point of ignition. A fire then exists, within the meaning of the policy, and the company is liable for the loss or damage.

A fire box, bottom of a stove or oven may be destroyed by burning out, thus setting fire to the floor underneath it.

We are not responsible for the damage to the stove, but we are liable for the loss to the floor.

Stove Pipe

A claim was made for damage caused by smoke and soot from a defective stove pipe and also for damage caused by water in cooling a portion of the ceiling heated by the stove pipe, but not actually ignited thereby. It was referred to the courts and they decided there was no liability under the policy.

Spontaneous Combustion

Valin, Park, Arnold, Parsons, Bunion, Emerigon, Meredith, Weskett, Campbell, Griswold, May and Clements, all authorities on insurance law, agree that hay, jute, hemp, wool, rags, lime, coal, or any articles which are consumed by reason of their own qualities, which we term "spontaneous combustion," are not fire losses within the meaning of the insurance contract. That the insurance companies are not liable for damage to the thing itself, but that we are liable for the damage caused to other subjects. For instance, if a painter leaves oily rags in a building and it is destroyed by the ignition of these rags, we are liable for the

loss to the building, but not for any value there may be in the rags.

If hay, wool or hemp ignites of itself we are not responsible for that portion, which was destroyed by spontaneous combustion, but we are liable for all which was destroyed or damaged by the flames from it. If no flame ensues it is not a loss under the policy. We frequently receive proofs of loss in which the origin of the fire is stated to be "spontaneous combustion" and we pay these losses without question, when, as a matter of fact, we should insist upon knowing how much was destroyed by reason of its own ignition and then deny any liability therefor.

A very interesting case is that of the Western Woolen Mills Company vs. Northern Assurance Company (U. S. C. C.) 139 Fed. Rep. 637; where wool was submerged and spontaneous combustion resulted. The wool became so hot that the strings around the bales burned and it was necessary to use pitchforks to handle it. There was evidence of ashes but no visible flame. The court held, "That according to the evidence, the internal development of the heat never at any time became so rapid as to produce a flame or glow, and hence within the meaning of the word 'fire,' as used in the policy, there was no 'fire.'"

Before heat, or decomposition in animal or vegetable matter reaches the point of ignition, there must be "a flame or a glow" or something that can be called "luminosity" or it is not a fire. Loss caused by escaping steam is not a loss under a fire insurance policy.

Explosion

The same rule applies to losses from explosion as to those caused by spontaneous combustion. We are not responsible for any loss done by the explosion, but we are liable for all damage which the fire from the explosion causes. If the fire precedes the explosion, we are liable for the entire loss from explosion and fire. The difficulty is to prove where one commences and the other ends.

Lightning

The policy conditions recite that the company will not be liable for any loss by lightning, unless fire ensues, and in that event, for damage by fire only. Buildings are frequently cracked, rent and torn in pieces by lightning, without showing any damage

by fire whatever and it is this class of losses which the clause is intended to cover.

There can be no fire loss unless there be actual ignition or burning and the loss be the effect of such ignition, not that the identical property to which the damage occurred should be consumed, or even ignited; but there must be a fire or burning which is the proximate cause of the loss. It is immaterial how intense the heat may be, unless it be the effect of ignition, it is not within the terms of the policy. Companies may, by endorsement, assume liability for loss caused by lightning which covers loss or damage by lightning only, but if fire ensues the loss and (or) damage caused thereby is covered by the fire policy.

The Attorney-General of California held that fire insurance companies could not assume liability for losses caused by lightning unless they put up a separate deposit for that purpose, as a loss by lightning was not a fire loss. The courts seem to take the same view of the matter and unless liability is specifically assumed by the company, there can be no loss under a fire insurance contract.

Chimney Fires

Roofs are frequently set on fire from soot caused by the burning out of a chimney, and we are clearly responsible for such losses. In the case of *Way vs. Abington Mutual Insurance Company* (Mass.) 43 N. E. 1032; the court said: "A chimney is not intended to be used as a place in which to kindle fires, or to have fires for use or enjoyment in connection with the occupation of the building. It is intended to carry off the products of combustion. Occasional fires in a chimney from the ignition of soot, are to be expected. In a sense they are accidental for they start from time to time without human aid and a loss or damage from such cause is covered under the policy."

General

If the insured, after a fire, destroys or injures the goods or property; if he makes no effort to put the fire out or protect the property after a fire; such loss or damage is not a loss by "fire" within the meaning of the policy.

Where lumber in a dry kiln is superheated to such an extent as to destroy the fibre of the wood, and render it useless for manufacturing purposes, it is not a loss by fire.

A company is not liable where the fire

resulted from the fumigation of the house by the Board of Health, under the clause in the policy "This company shall not be liable for loss caused directly or indirectly by military or usurped power, or by order of any civil authority." The word "indirectly" covers all the causes of loss, mentioned, and will exempt the company from liability where the loss occurred indirectly by order of any civil authorities, as well as where it resulted directly therefrom. The proximate cause of a fire is the efficient cause which puts the other cause into motion.

There is another class of claims, for which we are not liable that give us considerable trouble and which we pay if the adjuster does not insist upon an itemized estimate of damage. That is, where the city authorities will not permit the building to be repaired and placed in the same condition it was before the fire. I refer particularly to electric wiring, fireplaces and chimneys. The policy conditions read: "The company will not be liable beyond the actual cash value of the interest of the insured in the property at the time of loss or damage nor exceeding what it would then cost the insured to repair or replace the same with material of like kind and quality; said cash value to be estimated without allowance for any increased cost of repair or reconstruction by reason of any ordinance or law regulating repair or construction of buildings."

It is clear that we are only liable for what it would cost to put the property back in the same condition it was before the fire, whether the insured is or is not allowed to do so and that is all the company should pay.

Conclusion.

There seems to be enough legal authority and decisions for denying liability for loss or damage resulting from the following causes:

If smoke or soot is thrown off by a lamp or coal oil heater.

If a stove is cracked or spoiled by fire kindled in it.

If a fire in a fireplace should crack the mantle or scorch anything left too near it; or injure property by its smoke which the chimney failed to carry off.

If a wall or wainscoting is scorched or blistered by heat from a gas plate or stove placed too close to it.

For spontaneous combustion where there is no actual flame.

For fire loss by lightning where there is no actual ignition.

For electricity where there is no damage except that caused by the electric current within it.

For coffee in a coffee roaster, by the usual fire.

For sugar in its cooking pans, by the usual fire.

For lumber in a dry kiln, unless the kiln burns.

Or for any article which is consumed or damaged in the ordinary process of manufacturing except where the heat or fire is communicated from some cause other than that usually employed. In other words the fire must become a hostile one in order to make the company liable under its contract.

For physical corruption, moulding, spotting, dampness, discoloration, decay, heating, spoiling, evaporation, fermentation, shrinkage, souring, breakage or leakage except as a direct result of fire or from water in extinguishing the fire.

[This paper, with citations, is for sale by the Fire Underwriters' Association of the Pacific.]

Agency-Bartering Companies Have Been Failures

The pretentious United began stock-selling with offers of territory and local and general agencies to buyers of a stipulated number of shares; but its grandiloquent pretenses and promises created so much distrust that the sales were limited and the company never began business. Other companies, however, fared better for awhile, but all have failed or have led an unsatisfactory existence.

The Atlanta-Birmingham's end may have been merely hastened by the San Francisco fire; the Calumet compromised its San Francisco losses and has since "lived from hand to mouth;" the American Union has just failed most disastrously; and other companies organized by the sale of stock to agents as a condition of agency and territory are not doing well, except, possibly where there has been a complete change of management.

Several years ago, discussing this un-

usual bartering method of effecting the sale of capital stock, we suggested that such companies bartered also the right to expect from such agents any "culling out" of inferior risks. Unwilling buyers of shares of the capital stocks, such agents, compensated by commission, would "play safe" by pouring business of all kinds into the company hopper for a net commission at least equal to the money put at risk in the gamble of fire insurance. This may account for the usual high loss ratio of companies organized by promoters who deliver shares of stock plus a general agency appointment. It is the usual story of high finance.

Exhibition Insurance

From Review, London

A great deal of insurance is always written on exhibition goods because of their special character and value. This year there is a great exhibition at Ghent, at which a large number of British exhibits will be seen. It is here that a great deal of cover will be needed in regard to fire, burglary and breakages. It is stated that the premiums range from 30s. to 40s. percent, owing to the fact that past experience in this line has not been good. The fire at the Brussels Exhibition was followed by increased rates. Another exhibition will be at the Crystal Palace, on Anglo-German lines. If there are many exhibits from Germany they will require protection. The difficulty of this business is in assessing the values of so-called "priceless" articles; priceless in the sense that their like could never be bought again. It may be hoped that no untoward circumstances will arise to bring about a great sheaf of claims which an exhibition fire generally means.

Brokers Held Responsible

Loan brokers having agreed to procure \$2,000 insurance on plaintiffs' property in stock companies, on discovering that only \$1,000 could be procured, having failed for more than two weeks to validate solvent mutual policies covering the property, held liable for damages sustained on the property by fire.—140 N. W. 305.

LIFE, CASUALTY, ETC.

A Sample Fraternal Insurance Society

The New York State insurance department says of the Protective Life Assurance Society of Buffalo:

During 1911, the expenses of management rose to 73 percent and the loss ratio on non-dividend contracts to 45 percent of the total premiums. During 1912 the expenses of management were equal to 68 percent and the loss ratio on non-dividend contracts to 39 percent of the total premiums. To cover the deficiency between receipts and disbursements the management used the funds representing the accumulations of the dividend policyholders and which should have been held in trust for their benefit, and diverted such funds from the original purpose contemplated by the dividend contract.

Although this corporation is regarded in law as a mutual organization the officers, both present and past, directing its affairs, have treated it as a private enterprise, purchasing and selling its control for a money consideration. The present financial condition of the society is due to the lack of care and economy in the administration of its funds, and to the irresponsible character of its management.

In their dealings with loss claimants, the officers have not carried out the provisions of the contract in a spirit of justice and equity, but have assumed an unreasonable and technical attitude intended in the main to limit and restrict the benefits of the promised insurance to such an amount, for which a plausible justification can be found in the numerous provisions of the policy.

Edmund Alexander, the Nevada state manager for the Pacific Mutual Life, recently addressed the Pacific Club of Carson City, on the Nevada of past and future. He admits that his native state is North Carolina, but when he read the history of Nevada he became equally proud of his adopted state. Nevada was created a state as a war measure. Its votes in Congress were needed by the Union cause, and Nevada was therefore of great aid to Lincoln at a critical time.

Nevada has contributed fifteen hundred million dollars to the gold and silver money of the world.

Supervision

In an accident policy the word "supervision" does not necessarily exclude all manual labor.—140 N. W. 286.

Accident Legal Brevities

To make the "manual" of an accident insurance company, defining the classification of risks, occupations, etc., a part of the contract, it should have been plainly referred to therein and made a part thereof, or should have been actually written into the contract.—153 S. W. 1080.

That an insured, a contractor, whose duties were described in the schedule of warranties as "traveling and supervising only," was personally attempting to adjust a tank of a heating plant when killed by an explosion did not reduce him to the status of a laborer, a more hazardous occupation, so as to reduce the company's liability.—Id.

Where in an action on an accident insurance policy for death claimed to have been caused by pancreatitis, resulting from a street car accident, two physicians testified that a fall or any kind of violence, might cause the condition, the court properly instructed that if, when the car broke down decedent sustained a wrench or blow, which alone caused his death, the jury should find for plaintiff.—Travelers' Ins. Co. v. Davies, 153 S. W. 956.

The Pacific Mutual Life announces the death of Frederick L. Hunter, who passed away in Los Angeles on April 29. Mr. Hunter had been actively connected with the company for twenty-five years and in the capacity of claim agent had rendered faithful, untiring and consistent service. He was a man of sterling character and was held in high esteem by the many company representatives.

The Pacific Coast Casualty will hereafter give more attention to its surety branch.

Life Is One Vast Cell

In the human body there are about 25 trillion cells, and each cell contains some 100 million atoms, and each atom is supposed to be made up of chemical molecules. Sharpen your lead pencil to the finest point, and then cut off that point the smallest fragment. That tiny fragment is the size of say twenty cells of the human body, or of two billion atoms. And yet a tiny, invisible germ, introduced with food or drink or breath, may in a few hours put an end to this superb organization of living cells.

The moral whereof is, keep your life insured.

Life Legal Brevities

One may insure his own life for the benefit of another having no insurable interest, where he makes the contract, and pays the premiums himself.

Under the law in force in the Indian Territory before statehood, false answer to an inquiry as to the relationship between applicant and beneficiary, where such answer is made a warranty, vitiates the policy, though made in good faith and without knowledge of its falsity.

Where, after a policy has become a death claim, the company receipts for the original policy and retains proofs of death without objection, and, after knowledge that the policy was voidable, the premium was retained and no offer made to repay it, it constituted a waiver and an estoppel in pais.—*Pacific Mut. Life v. O'Neil*, 130 P. 270.

A sister has an insurable interest in her brother's life.

§ 121 (Pa.) That a life insurance policy is assigned to a person who has no insurable interests therein does not invalidate the policy where it was valid at its inception.—86 A. 289.

An agent of an insurance company in charge of its loan and extension department at its headquarters in New York held to have general authority to waive a forfeiture for nonpayment of premiums.—*Equitable Life Assur. Society v. Ellis*; 152 S. W. 625.

A clause as to incontestability and suicide held made part of a policy by a prior reference clause regarding extended insurance, paid-up insurance, and cash surrender value, "benefits and conditions."—*Penn Mut. Life Ins. Co. v. Gordon*, 61 So. 311.

Where a policy provided for extension of insurance after lapse for nonpayment of premiums, and also for loans to insured, the right to extension being affected by the loan, held, that a loan to insured without the consent of the beneficiary was valid, and the right to extension was limited thereby.—*Healy v. Prudential Ins. Co. of America*, 140 N. Y. S. 505.

Where the assignee of an insurance policy did not pay the last premium due because of the insurer's failure to present the receipt for payment in accordance with its custom, the assignee's failure to discover the nonpayment for some years, it appearing that the insured was still alive, and the policy had been merely filed away, does not bar him on the ground of laches.—*Mutual Life Ins. Co. of New York v. Davis*, 154 S. W. 1184.

Where an insurer refused to accept a beneficiary's check in payment of the premium on a life policy solely on the ground that the insurance contract had been canceled, it cannot subsequently defend an action on the policy on the ground of nonpayment of premiums.

Where a life policy provided that it should be incontestable after one year if the premiums had been duly paid, the policy was incontestable after such time even for fraud in its issuance.

Where a life policy provided for a change of beneficiary upon notice by the insured in writing, the beneficiary's rights can be defeated only in the manner prescribed, and he is not affected by an agreement between the insured and insurer for the cancelation of the policy.—*Indiana Nat. Life Ins. Co. v. McGinnis*, 101 N. E. 289.

In every large city more than a thousand people die of consumption every year.

Every third young person you meet, on the average, will die of consumption before age 35.

In New York labor accidents average 5,000 a month, of which about 1.3 percent are fatal.

The Fourth International Congress on School Hygiene, and the first to be held in America, at Buffalo, August 25-30, according to an announcement of the executive committee, will be by far the most elaborate effort yet made in this country toward getting the problem of school hygiene before the world. The first International Congress was held at Nuremberg in 1904, the second at London in 1907, the third at Paris in 1910.

A London Company

Liability.—Of the total liability business of the London Guarantee & A. a little over one-third is derived from the United Kingdom, where in 1912 the loss claims, commissions and expenses exceeded the premiums. The company's total accident premiums barely exceeded claims and expenses. This was likewise true of the new fire department. By allowing for the increase in unearned premium liability, we find substantial evidence that this company's affairs are not exactly flourishing, and the managers have done well to skip the regular dividends on the ordinary shares this year. The preference shares will, however, draw 5 percent per annum. Roughly estimating the net figures, we conclude that the company's ratio of losses to earned premiums for the past year was about 80 percent. The disappointed shareholders may well entertain proposals for the absorption of the company by some of the giant English offices.

Life Agent Could Not Recover

In an action by an insurance agent for a commission of 10 percent on the difference between the premiums of a policy as written and as converted by the insured, held, upon construction of his contract, that he could not recover.—155 S. W. 139.

The Ægis Life took in \$96,135 premiums and paid out \$79,631 for expenses in '12. It wrote \$1,024,000 new business but it gained only \$38,000 in amount in force. What is the reason for this extraordinary lapsing?

The Ætna Life's lapsing in '12 amounted to nearly half the new amount written.

The Handy Chart of Casualty, Surety and Miscellaneous Insurance Companies in America, containing ten years' company figures: by the Spectator Co., 135 William st., New York: price 25 cts. This compilation is along the lines of the usual fire chart, giving financial exhibit and income and disbursements.

The Idaho State Life Ins. Co. wrote \$1,641,840 new business and made a net gain of \$797,660.

Pacific Surety Company

An increase in net surplus and a large increase in premium income and assets, and also a reduced expense ratio, stand to the credit of the Pacific Surety Company of California, for the year 1912. This company now has some \$748,000 assets and \$401,582 surplus to policyholders.

The varieties of business written are: accident, liability, fidelity, surety, plate glass, steam boiler, and burglary. The principal branches, however, are accident, and liability.

Continental Casualty Co. Complaints

Many complaints against this company's settlement of industrial accident claims resulted in an investigation by the New York state insurance department. The agents were in the habit of making collections of premiums after they were due on the first of the month, at their convenience. But if an accident occurred meantime, the fact that the premium was ready for the collector made no difference. Advantage was taken of the technicality by the company and payment of the claim was refused because the monthly premium had not been collected on the day due.

The Casualty Co. of America is losing money on its underwriting, as a whole. Last year it lost money on its workmen's collective and liability business.

The American Fidelity of Montpelier, a cut-rate company, had a 77 percent loss ratio last year and a total outgo of 118 percent of the premiums. Its accident, liability, surety, steamboiler and health departments were all unprofitable. This company was criticised by the Coast Review very severely for its slashing methods of doing business. The results have justified our comments.

The Preferred Accident is making a yearly increase in its health premiums.

The Prudential Casualty appears to have lost about \$100,000 since it began business in 1910.

The Massachusetts lost some \$13,000,000 by lapses last year.

Pacific Coast Casualty Company Changes

This California company has definitely decided to restrict its business in future to Pacific West territory. Its Eastern business has been unsatisfactory and recently the management has adjusted and settled all outstanding litigation in that field. These facts explain the company's reduced premium income and increased losses and expenses.

Unlike most well established liability companies, the Pacific Coast Casualty knows just where it stands as to outstanding claims. It now begins anew with a clean slate, as it were, and will cultivate the home field, west of the Rockies, more thoroughly than heretofore.

Marshall Frank's interests have been purchased by President Green and associates, and Kirkham Wright has been elected to succeed him as director. The directors of the company now are: E. F. Green, Kirkham Wright, Edward L. Brayton, Frank P. Deering, J. H. Bennett, Harry W. Goodall, Walter P. Johnson, Allen I. Kittle, Carl G. Brown, George W. Turner, Henry E. Bothin.

The yearly liability loss ratio of the Pacific Coast Casualty has been among the lowest, ranging only from 26 to 51. What, may we ask, will be the ultimate "settling" of those companies, in the majority, whose liability losses paid are now averaging 60 percent of the premiums?

Losses while seeming normal really included, on a showdown, many disputed and doubtful claims; and this experience will undoubtedly be that of all liability companies. It is doubtful if the states' liability reserves for litigated claims, as now estimated, are sufficiently high; and if they are not, there is serious trouble in store for all companies which are writing liability business, especially those which are writing at less than the approval rates.

There are 13 American industrial companies. The Metropolitan leads with 11,827,419 policies in force. The Prudential is next with 10,381,909.

Missing Man Life Insurance Swindle

A level premium and two fraternal insurance societies were victimized by James Calvin La France, who substituted a body, on which his wife was able to collect some \$15,000 insurance. The body was found in the Clackamas river in Oregon last summer and was identified by the "widow." La France was arrested at Coquille, Ore., April 30, and at once confessed the crime but would not tell where he got the body.

California Workmen's Compensation Accident Law

The pet bill of the present administration, slightly amended, is now the law of California.

It handicaps the industries of the state by requiring greater compensation for injuries than do the laws of other states. The 65 percent of wages comes near to equaling the total wages earned, and the average unmarried workman will certainly find it pleasanter to incur disabling injuries and have a handsome weekly income than to risk loss of employment and suffer the indignities of regular hours, sobriety, sweat and grime.

Perjury and malingering in addition to carelessness or self-mutilation, may be expected in California even more than in Germany.

The principle of workmen's compensation is of course unobjectionable. It is just and admirable, but when its laws and rates are framed by demagogues to win votes, and it is both socialistic and confiscatory, as in the case of California, the benefits are exceeded by the "malefits." The law will build up and support a political machine but in its present form it will do much harm to numerous industries and cause the permanent discharge of many employees.

The New World Life began active life with death—a claim for \$3,000. Its first full year yielded \$39,409 premiums but the management expenses, alas, amounted to \$62,615. Meantime, the stockholders are waiting for the promised dividends. They will be schooled in patience.

In the past five years the American Credit Indemnity Co. has had these ratios of outgo to premiums: 127, 151, 122, 113, 124. Only plate glass risks are written.

The North American Accident has had the following percentages of outgo to premiums received: 92, 95, 100, 88. Expenses averaged 60 percent.

The Pacific Mutual writes some half a million in health premiums yearly. This branch is increasing the premium income rapidly.

The Montana Life wrote \$2,590,250 new business and made a gain of \$1,766,750 in insurance in force. Management expenses were \$104,771, and premiums, \$177,337.

The Hartford Life lost some \$7,000,000 by lapses last year. Its legal reserve business was reinsured by its owners in their Missouri State Life, early this year, leaving nearly \$23,000,000 on the assessment plan. We predict this amount will speedily grow less, explosively. The surplus of this company is declining.

The Manhattan Life has established a \$100,000 club. The company expects that the membership thereof will be very large. All agents who write each month between May 1st and December 31st two-thirds of their allotment, and whose production for the entire calendar year is not less than one hundred thousand dollars of paid-for business, will be entitled to membership.

The Pacific Mutual Life Insurance Company of California announces the appointment of Blake Franklin to the office of claim agent of the accident department, to succeed Frederick L. Hunter, deceased. Mr. Franklin has been connected with the company's legal department and has been in intimate touch with the claim department for some time. Mr. Franklin will be ably assisted by George H. Gregg, who has for many years been with the department as traveling adjuster.

Lapses in the Aetna Life in 1912 amounted to \$19,000,000, and expirations about \$9,162,000, a loss of 2½ millions a month. Expenses were 18 percent of the premiums. Excess of income is declining. Dividends

to policyholders, 11 percent of premiums, or a little less than in the previous year.

Liability Legal Brevities

Under liability insurance policy exempting the insurer from liability for injuries if the assured was violating a city ordinance, insurer held liable, though the assured was erecting a fire escape without erecting a covering to protect the street, and though a city ordinance required such a covering in the construction of new buildings or in the unroofing or tearing down of old buildings. 86 A. 303.

Within a liability insurance policy excluding injuries in connection with structural alterations of the plant, a "structural alteration" was one changing the physical structure of the building or plant.—77 S. E. 682.

A foreign automobile insurance corporation authorized in the state of its creation to write liability insurance is not entitled to write such insurance as a matter of comity in the state; it being the policy of the state to separate insurance on property from other lines of insurance.—140 N. W. 557.

A mere solicitor of insurance has no power to contract that an assured, under a contract for a year could cancel the same without becoming liable for the higher rates provided in the policy for short terms.—154 S. W. 827.

A contract of insurance need not be in writing, in the absence of a constitutional or legislative requirement.—101 N. E. 160.

The Missouri State Life lost by lapse some \$5,500,000 in '12, which is equal to more than half of the new business written.

Savings in ordinary banks are to escape the income tax but savings in the life insurance bank are to pay an income tax, in the United States. All other countries, more enlightened, put no income tax on the life insurance premium or dividend or bonus.

The revenue of the British postoffice system of life insurance is only \$110,000 per annum.

FIRE INSURANCE

The 6th Report of Idaho Ins. Dept. has been received. Fire premiums for 1911, \$1,169,311 against \$1,118,652 for 1910. Loss ratio, 55.3. The two Idaho mutuals took in \$2,309 premiums. The Delaware took in \$3,334 premiums and paid \$6,078 losses; the Girard, \$2,492 premiums and \$3,228 losses; Home of Utah, \$12,739 premiums, \$6,833 losses.

The Hartford Fire, which does the largest business in Missouri and has been in the state more than 80 years promptly ordered its agents to discontinue writing business under the new drastic arrest-everybody law.

The "Insurance Federation of Ohio" is the latest organization of insurance men. The Ohio man is bound to have all that is coming to him, whether it is an office or a premium.

Commissioner Done of Utah says the companies are justified in withdrawing from Missouri, or any other state where they are penalized by drastic and unliveable laws. Superintendent Potter of the Illinois state department says that the companies owe it to themselves, as well as to the policyholders in other states, to at once cease doing business in Missouri.

Advance figures from the report of Ohio for the year 1912 show that up to the close of the year there were 5,191 fires with a loss of \$8,060,412.

Commissioner Hardison of Massachusetts says he is merely waiting to give certain states a chance to regain their senses, before refusing to license companies which continue to do business in such states as Missouri, that do not allow the collection of sufficient premiums to pay their own losses and expenses, not to mention also their proportion of the general conflagra-

tion or excess loss hazard. The New York insurance department is quoted to the same effect.

A law such as is suggested requires the companies to appraise all property before insuring them, which immensely increases the expenses of doing business, and it would be necessary to increase the insurance rates of all the people, because of the dishonesty of a few.

Some of the principal state insurance departments in this country, it is asserted, propose to debar from their states companies which continue to operate in any state restricting the collection of adequate rates, and in which the loss ratio for some time has averaged 60 percent of the premiums.

The Law Union & Rock is advertising for a United States manager.

Some of the well-known fire companies have a large premium income in Missouri. In 1912 the Home of New York had a premium income of \$548,438, and the Hartford Fire had \$472,939. Of the larger foreign companies, the Liverpool & London & Globe had a premium income in the state of \$210,933, and the Royal \$184,106. The Western had an income of \$54,968, and the British America one of \$22,623.

Manager Porter says that the joint resignation of the Salt Lake City fire department, tendered to the chief, to take effect May 6, was withdrawn.

E. F. Van Valkenburg, of Boise, Idaho, formerly insurance agent, has been appointed insurance commissioner of that state.

The German American has promoted Messrs. Smith and Coffin to the vice-presidency and made E. M. Cragin secretary.

Overinsurance, or No Profit

Fire underwriting profit in this country is so small that we are justified in the assertion that if there were no overinsurance there would be no fire underwriting profit. Overinsurance carries no other liability than that of incendiaryism; and this liability is not nearly so great as that created by valued policy laws, which offer an inducement to arson by compelling the insurer to pay the "face" of the policy if the building be totally destroyed, as it usually is by the plentiful use of coal oil and powder.

We do not say, however, that the underwriters encourage overinsurance, and we are more certain that overinsurance seldom causes the payment of a claim in excess of values destroyed. There are many causes contributing to the high burning loss ratio in this country, but if overinsurance were one of these, in any serious degree, underwriters would take effective measures to prevent it.

The overinsurance which we refer to as probably making the small average underwriting profit of 3 or 4 percent is not intentional and is not realized or is forgotten by the insured. Values decline, but insurance is renewed in the same amount year after year. Owners innocently overvalue house and household goods. Merchants reduce stocks, but allow the policy to continue in the amount written when well stocked.

Dwellings Are Unprofitable Because Rates Are Too Low

The Hartford experience applies to this office, and trying to find out what is the matter with dwellings we conclude that rates are too low. In the olden days, when dwellings were dwellings, when the chimney was two bricks in thickness, with the hearth built on brick or stone and not on boards; when the dwelling was occupied as the family home, and not as a hired man's

camp; when the gasoline stove or lamp, the electric bulb to warm the bed and the electric flatiron were unknown, dwellings were profitable.

Times have changed. The increased hazard is met with reduced rates and increased expenses which, added to the belief that dwellings are profitable regardless of class, constructions, occupancy, conditions or rates, must be the reason why outside detached dwellings do not pay.

Well built and properly occupied dwellings and contents written at not over sixty-five cents on the dollar, will pay.

This is our coast department experience. Fireman's Fund Record.

Not a Dollar of Fire Underwriting Profit in the United States of America

The Coast Review has compiled, as far as possible, the premium and loss totals of insurance companies operating in the United States, and it has found that expenses and losses paid and unpaid, and capital and surplus burned up, in the bad years and the good years, including such conflagrations—city burnings—as Spokane, Seattle, Jacksonville, New York, Chelsea, Terre Haute, Chicago, Boston, Pittsburg, Portland, St. Louis, Sacramento, and San Francisco, losses, taxes, commissions and expenses have at least equaled and probably exceeded the premium receipts. What a record! Several hundred fire insurance companies have retired and many of them lost all surplus and capital; but virtually always, except as the result of a city-burning, outstanding business has been reinsured and loss claimants have been paid.

Q.—Have the fire companies recovered their losses in the great San Francisco fire?

A.—The companies as a whole have about made underwriting profits in the United States equal to the gross amount paid out for the San Francisco conflagration losses in 1906. This recovery was made possible by increased rates which rebuilt the surplus or conflagration funds, and which were maintained for about two years. But the companies which survived the disaster have not recovered their losses, and some of them never will.

FAILURE OF A FIRE PROMOTION

The Overland of Idaho Collapses and a Promoter Decamps with the Funds on Hand

From Coast Review Extra

When the Overland Insurance Company of Boise, Idaho, began its promotion career the Coast Review was the only insurance journal which sounded a note of warning against the scheme. We called attention to the dubious reputation of the principal parties engaged in the promotion of the ill-advised scheme in a state in which the fire underwriters had lost money.

Bankers in southern Idaho were induced to part with their money and otherwise take an interest in the projected Overland Ins. Co. of Boise. The organization went along smoothly, to the rallying point of making W. E. Pierce president and W. H. Puckett secretary. One Homer was at first the guiding spirit, flaming bright from Montana, where he had organized a company too.

But W. A. Matthews was the bright particular star that attracted every banker who basked in his rays. Thus he raised the cash and had a trail of revolving banker satellites. Even the McCornick banks are said to have been perturbed and drawn out of their courses.

This fellow Matthews of the smooth and shining countenance was to have \$40,000 commission if he sold all the \$200,000 stock—a 20 percent commission for which many local insurance agents, we are told, will refuse to work.

It was agreed that each subscriber to the capital stock should pay 20 percent down—which covered the selling commission—and later 40 percent, and still later at a convenient time the remaining 40. Some cash was paid but mostly the innocent and benevolent bankers gave certificates of deposit.

The smooth talk of the promoter salesman, and the array of misleading figures

“proving” the “enormous profits” of fire indemnity, quickly enabled him to sell \$45,000 stock and collect \$20,000.

Then the fellow fled between two days and was last heard of in St. Louis, where under an assumed name he is probably organizing a Missouri fire company to protect the Missourians and rebuke the fire companies which, tired of paying 80 percent losses, have retired from the state.

Matthews sent word back, from a flying train, that he had failed, after paying \$7,000 for expenses, and that the remaining \$13,000 he had returned prorata to the subscribers. But they are still looking for their share of the lost \$20,000.

Matthews, it is said, is both a defaulter and a forger in this enterprise.

The victims have met and condoled with each other. But, still credulous, these Idaho bankers are listening to the voices of sirens who sing softly that they can save the busted Overland and make enough money out of Idaho underwriting to restore the money taken by Matthews.

The American Central and the Citizens, both of St. Louis, and the only two considerable companies of Missouri, have notified their agents that they can now look after only their regular patrons' interests and can only accept a small amount of the business released by the withdrawal of the solvent non-resident companies. Their agents have been notified also to discontinue writing policies for longer terms than one year, and to issue only net lines on any risks. The agents are also advised to avoid considering all poor or indifferent business. The right to bind the company on any country stores or farm risks is expressly withdrawn, this class of business having been very unprofitable.

San Francisco.—The president of Spring Valley Water Co. predicts a water famine in 1915.

Los Angeles.—The Los Angeles Fire Insurance Co. now occupies rooms 734-5-6-7-8-9-40-41 of the Title Insurance building in this city.

Imperial Fire Reinsures

Recent inquiries in this office pointed to the reinsurance of this Denver company. The directors have decided to retire the company. All outstanding business has been reinsured in the Rochester German Underwriters, which of course is the German American of New York.

The Imperial began business in 1906, just before the San Francisco fire. On January 1st it had some \$520,000 assets. The net surplus was about \$83,000. Losses incurred last year were 60 percent of the \$192,000 premiums. In the Pacific West the premiums were \$81,118, with 71 percent losses incurred, as shown in the Coast Review Fire Chart.

The record since the start shows a moderate average loss ratio. The president of the Imperial is H. T. Lamey, who also represents the British America in the Mountain field. The secretary is H. P. Gibberson.

The Imperial also issued the Colorado Underwriters policy. The company operated in Colorado, New Mexico, Idaho, Utah, Montana and Washington. It also did business in Wisconsin, Illinois, Massachusetts, Kentucky, Ohio, Nebraska, Missouri and New York. The company was a Board company in this field, and a Western Union company in the Middle West.

50th Anniversary

Theo. F. Spear, of Lovejoy & Spear, of Cincinnati, managers for the West of the Phoenix of Hartford, on May 3d celebrated the 50th anniversary of his connection with the company.

The office force presented Mr. Spear with a phonograph, guaranteed never to sound a discordant note. The field men presented him with a gold watch, and Mr. Lovejoy added the chain.

Mr. Spear joined the department at Cincinnati when R. H. and H. M. Magill were the general agents. In 1875 he became assistant general agent, in 1901 he became joint manager with Mr. Lovejoy.

The Western department of the Phoenix was established in Cincinnati in 1857, by Matthew Magill, who was a bookkeeper in

the Aetna office and who had also been a clergyman in Canada. He appointed his sons, R. H. and H. M., special agents. R. H. Magill now lives in Oakland, and is the representative of the Home.

Seems a Missourified Decision

In Pittsburg Board of Trade against Allegheny County Board of Underwriters the courts upheld the right to combine for the making of rates, but later ruled against the organization's prohibition of insurance for non-members other than the insured and providing for the cancellation of policies written at other than board rates. The court also enjoined the board's restriction of a company to two agents in the congested district, and also requires the rates to be free to all agents.

The common pleas court at Cleveland has dismissed the suits brought against fourteen local agents to restrain them from maintaining agreements as to rates, on the ground that the Valentine anti-trust law in Ohio applies only to commodities and does not affect insurance transactions. The accused agent's counsel filed a demurrer against the indictments based on the contention that the supreme court had held insurance is not a commodity, and therefore the Valentine anti-trust law, under which the suits were brought, did not apply. In sustaining the demurrer the court held that insurance is neither trade nor commerce, and that an insurance policy when sold or delivered by an insurance agent is only an uncompleted contract, and in this respect differs from contracts embraced under the ordinary operations of trade or commerce.

Home officers of the Law Union & Rock will visit this country next month to appoint a United States manager who will give all his time to the American branch and compete actively for business in accordance with the company's new policy.

Liverpool & London & Globe agents in this country have voted against an underwriters agency.

Liverpool & London & Globe

The United States branch of this 77-year-old British company has \$13,739,219 assets invested in this country. Nearly a third of this big sum is surplus over all liabilities. The net American premium income in 1912 was the largest in the company's history, being \$8,886,107, a gain of about half a million. Losses paid were 53 percent and expenses 37. This company is a world leader in resources, record and reputation.

The Liverpool & London & Globe entered the United States in 1848, and has paid millions of losses, as incurred, in all the great conflagrations. The Pacific department was established in San Francisco in 1852, over 60 years ago, when the population of the whole Coast probably did not exceed a quarter-million.

The Pacific department is flourishing under the management of John W. Gunn, who is assisted by R. P. Fabj—two well known and popular ex-field-men.

Husband's Rights

That the constitution of a mutual fire insurance company provides that whoever sells or exchanges his property loses all insurance rights, etc., does not invalidate a policy issued to a husband on property owned by his wife.—140 N. W. 321.

Retiring as a Body from States

When New Hampshire passed the valued policy law, the fire companies withdrew from that state. This withdrawal had no effect on the legislature, possibly because the interests affected were too small, the state being one of the smallest. After a short interval it was found that some of the companies were surreptitiously writing New Hampshire business. The principal property interests had succeeded in securing all the protection they wanted. A large company then returned to the little state and was followed by all the others.

Since that time valued policy laws have been passed in a number of states without any serious objection by the underwriters. Idaho passed a very obnoxious law, and the companies all withdrew from that state, and

it was necessary for the governor to call a special session of the legislature to repeal the law. Nevada passed a very objectionable law. The companies withdrew. The supreme court declared the law invalid. The companies then returned to Nevada. These three states were so small that their business was of no value to the companies. In Missouri it is different. It is a state producing some nine million fire premiums annually, and contains a city with eight hundred thousand population.

In 1900 and 1901, the companies lost in Missouri about eight hundred thousand dollars a year, but from 1902 to 1908 inclusive there was a fair average profit of more than one million, which possibly made good the losses of 1877-79-81-87-89-91-92-93-94, and 1900 and 1901.

In recent years the state has been making rates, and the companies have been losing about one and one-half million dollars yearly in excess of the premiums received.

Had St. Louis her usual loss experience, underwriters' losses would have been much greater. The law just passed makes it a felony for an agent to carry a rate book, or for two companies to consult each other as to their loss experiences. It was too drastic a measure for even the mild mannered, non-resisting fire underwriters to tolerate. All the solvent and honorable non-resident companies have retired from Missouri.

The legislature of Missouri, we may unhesitatingly say, has ignored as usual the real trusts which increase the cost of living.

California has just escaped legislation which would ultimately have resulted in a similar prohibitory and confiscatory legislation. The state-rating bill in California might have produced chaos on the entire Coast as regards fire underwriting, and would soon have resulted in a rate war and the withdrawal of many companies. The state imposition of unprofitable rates for political effect and a probable anti-agreement measure of some kind would have compelled all the decent companies to retire from California.

The Aachen & Munich is the only German company in Argentine.

FIRE AND MARINE INSURANCE

CALIFORNIA MARINE BUSINESS TOTALS

	Including Automobile Insurance		Premium Received	Losses Paid
	Am't Written			
Totals for 1912 (Loss ratio 28.6)	\$424,697,968		\$2,738,743	\$ 785,179
Totals for 1911 (" " 59.6)	429,098,758		2,318,509	1,381,986
Totals for 1910 (" " 77.5)	373,898,634		2,180,142	1,689,067
Totals for 1909 (" " 70.0)	307,959,301		1,949,202	1,362,194
Totals for 1908 (" " 52.9)	249,870,473		1,868,861	990,117
Totals for 1907 (" " 67.8)	268,011,819		1,899,910	1,289,183
Totals for 1906 (" " 83.6)	<u>254,655,268</u>		<u>1,609,433</u>	<u>1,345,719</u>
Totals for 7 yrs (" " 60.8)			14,564,800	8,843,445

Marine Results

From the London Times

An examination of the results of ten offices is of value, because it gives an insight into the health of the whole market. The offices discussed are more or less representative of the business, and most of them issue their accounts in such a way that like can be compared with like. Great composite offices, such as the Alliance, the Commercial Union, the North British, and the Royal Exchange, and that sturdy old hermit, the Marine Insurance, collectively exert great influence on the market, but their figures, even if they were yet available, are not generally issued in such a form as to make a comparison with the other offices profitable. And the figures of underwriters at Lloyd's remain, as ever, in obscurity.

Following the practice of the past few years we show in the first table the effect of the provision set aside to close the underwriting accounts of 1910. The usual practice is, as most people know who take any interest in the subject, for the companies to keep their accounts open for two years and then, as far as the public is concerned, to close the second year by setting aside a sum which it is estimated will be sufficient to meet all further claims arising out of that year. When attention was first directed to

these provisions known as suspense accounts the companies had not emerged from a cycle of disastrous years, and they were consequently having serious difficulty in making both ends meet. They were therefore tempted, in order to put as good a face as possible on the matter, to cut their provisions very fine, and the provisions in some cases were painfully inadequate. The offices have profited by their experience, and it will be seen that the eight companies which provide suspense funds all made more than ample provision to close their 1910 accounts. In the aggregate the eight companies were nearly £65,000 to the good, and the underwriting results for 1910 were therefore rather more satisfactory than they appeared to be a year ago. The practice of estimating liberally is entirely to be commended, for it means that if there is any saving there will be some reserve available when the pendulum swings in the other direction and the cost of closing the account is heavier than had been anticipated. In the case of one company the effect of the over-estimation was actually to convert an underwriting loss into a small profit, and several offices gained substantially.

The result of 1911 is a profit for the ten companies of 9.7 per cent on net premiums of over £3,000,000 and is a much more fav-

orable return than has been secured for many years. For the years 1905 to 1908 inclusive nine companies made in the aggregate a loss of 2.3 percent on their total premium income; then came the turn of the tide in 1909, the same nine companies making the small profit of 4.78 percent; and in 1910 ten companies earned a profit of 6.5 percent or actually, owing to saving in the sums placed to suspense, rather more. On the whole, the second year's settlements on the 1911 account were most unexpectedly light.

Unusual interest attaches to the first year's settlement on the 1912 account owing to the loss of the Titanic and a number of quite formidable disasters. The public hears much of heavy losses, but naturally it does not hear so much of the steady inflow of premiums to meet them. With the increase in the size of ships and the rise in prices of commodities the cost of shipping disasters is likely steadily to increase. The true underwriter does not regret them, for he recognizes that by them he lives; he merely sets to work to try and ensure that the premiums shall be commensurate with the risk. The premium income of the ten offices in 1912 was increased by £332,000 to £3,403,696, the increase being due, partly, to the activity in trade and partly to the higher rates of premium that have been secured on account of the very marked rise in the cost of shipyard repairs and also of the undoubtedly unsatisfactory way in which certain classes of business have developed. The Union, now allied with the Phoenix, wrote the largest account with an income of £562,000, or an increase on the year of £90,000.

That the year cannot yield such a satisfactory return as 1911 is obvious. It is estimated that the Titanic disaster cost several of the companies about 4 percent of their premium incomes, and it is not improbable but for that loss the settlement would have been lighter than the corresponding settlement of 1911.

An outstanding feature of marine insurance finance is the very satisfactory ratio which the interest receipts bear to the dividends paid; in fact, the aggregate interest receipts of the ten companies exceed, it will

be seen, the dividends paid. This strong position is largely due to the long-sighted policy of the company managers in the past, who, when really prosperous times were being enjoyed, built up strong reserve funds. During the past few years there has been such an increase in the size of the market and competition consequently has become so much keener that it is in the highest degree unlikely that there can ever be a return to such prosperity. Yet the present position is far more favorable than it has been for some eight years, and the accounts examined above show that it is possible with able management to earn respectable profits out of the highly speculative business of marine insurance.

Queen Insurance Company of America

This New York company is remarkable for its uniform growth in resources and business. Year after year its assets and reinsurance reserve and surplus advance, whereby is unchallenged proof that the company writes much new business and makes an underwriting profit with great regularity. Twelve years ago the assets were \$4,039,586; now, in round numbers, they total \$10,000,000. Twelve years ago the surplus to policyholders was \$2,849,204; now, in round numbers, it is \$5,000,000. Twelve years ago the premium income was \$1,952,080; now it exceeds \$5,000,000.

The past year was like the former years—profitable and progressive. The loss ratio was only 52 percent, and the expense ratio 38.

The Queen operates on this Coast under the successful direction of Manager Watt, who has two very able assistants in John T. Fogarty and Frederick B. Kellam.

Kind Kort

A Missouri court enjoined the fire insurance companies from cancelling their unprofitable risks in the Big Muddy state but in a moment of generosity declined to compel them to write new business or renew old business at losing rates.

The Royal Exchange paid 10 percent dividends for 1912, free of income tax.

LIFE INSURANCE

Torrey Resigns

M. W. Torrey retired May 14 from the presidency of the Manhattan Life. Thomas E. Lovejoy, late of Montgomery, Alabama, was, at the annual meeting of the company held May 13, 1913, elected president in Mr. Torrey's, stead. Mr. Lovejoy is but thirty-seven years of age, in the prime of life, is a man of large affairs, and is equipped by special training to render very efficient service to the company. Since 1896 Mr. Lovejoy has been engaged in the banking business in both Georgia and Alabama; and amongst other interests with which he has been connected are those of casualty and title insurance. Mr. Lovejoy, as president, will have general supervision of the company, devoting his attention particularly to the company's finances, with the purpose of making the assets produce the largest interest return consistent with absolute safety.

The Sills of the Life Insurance Structure.—The president of the National Association of Life Underwriters, on the occasion of his official visit, was dined, wined, toasted and talked, at the Southern Club in San Francisco on May 22.

The stockholders of the Hartford Life, now an assessment company, are preparing to "stand from under." They don't want to be sued by disappointed beneficiaries, and are behind a bill in the Connecticut legislature to "mutualize" this moribund concern.

The surrendered and lapsed policies of the Aetna Life increased abnormally last year. This was also the case with the Massachusetts Mutual.

The National Modern Woodmen of America Federation is the proposed secession branch of the Modern Woodmen. It is doomed to failure.

The Manhattan Life reports progress all along the line. New business sent in by its agents during the month of April was 20 percent greater than that applied for during the same month of last year. The

death losses for the first four months of this year are but 73 percent of those for the corresponding period of last year, and the mortality rate of the company for 1912 was but 79 percent of the expected. The company's total cancellations for the first four months of this year are but 84 percent of what they were for the first four months of last year. And all this has been accomplished at a constantly decreasing expense ratio.

In the Attitude of a Missionary

The life insurance solicitor may well follow the example of the missionary and be patient and respectfully insistent, as one who bears a message which should be heard and which it is a high duty to deliver. A missionary who would cram his good-spiel down the throat of an unwilling listener could not hope to make converts; but if he inspires respect and confidence, and presents his message clearly, he may hope to convince, if not at first, then later.

The insurance solicitor must likewise have faith, in himself and in his gospel. He offers peace of mind and assurance doubly assured. He offers an investment without a chance of loss. From the day the policy is signed, the policyholder draws dividends. An estate created by the stroke of the pen and the payment of one installment called a premium; the daily assurance of the cashing of that estate if he should die during the life of the contract; the thought of a preserved home and cared-for family—are not these dividends in the highest sense?

The missionary teaches; so must the insurance solicitor, for, with all the education and preaching, the average uninsured man must be taught. In both cases, conviction comes best through the heart, through the affections. Both the missionary and the solicitor must appeal to the better nature of men.

In the state of New York factory fatality percentages are greater than in mining. Permanent injuries are 5 percent.

CALIFORNIA LIFE BUSINESS IN PAST YEAR. 1912. WITH TOTALS FOR 13 YEARS

Name.	New Policies Written and Paid For			Policies Renewed.		Policies in Force Dec. 31, 1912.		Losses & Endow ts Paid.	
	No.	Amount.	Prem' m	No.	Prem' m	No.	Amount.		
Home	1029	\$2,362,438	\$ 73,235	4684	\$10,645,374	\$899,790	7221	\$15,594,607	\$275,852
Bankers Life	267	694,000	14,209	15	41,000	1,272	11040	22,257,500	264,000
California Nat'l	321	1,046,547	38,952	209	798,650	11,635	521	1,845,197	1,000
California State	1868	7,361,500	308,819				1866	7,350,500	11,000
Columbia L. & T	51	168,117	3,287	17	22,299	1,621	68	190,416	
Columbia National	209	545,648	13,887	645	1,848,037	55,580	854	2,391,685	5,000
Connecticut Mutual									
Equitable	1498	5,235,552	192,592	12904	36,626,944	1,597,238	14322	41,605,133	963,551
Fidelity Mutual	197	560,982	20,288	1906	4,898,715	176,665	2103	5,459,697	74,174
Germania	221	712,647	25,254	2154	4,640,739	171,897	2375	5,353,286	145,704
Home	203	559,273	19,648	1717	3,648,284	149,727	1920	4,207,558	72,251
Manhattan	162	204,944	3,029	921	1,969,441	69,068	1073	2,210,385	84,926
Massachusetts	259	869,221	26,481	1280	2,780,026	150,706	1539	3,649,247	63,381
Metropolitan	5516	6,401,629	142,852	18840	17,597,764	672,287	23,316	21,821,482	167,483
Missouri State	256	659,520	15,956	34	145,500	2,157	290	805,020	2,254
Nat'l Life	1778	5,007,668	182,371	19738	48,303,114	1,555,015	22,516	53,310,782	997,652
Mutual Benefit	885	2,484,070	94,439	5153	15,123,921	584,878	6038	17,607,991	153,289
National, U. S. A.	269	1,056,557	33,176	1019	2,579,648	86,424	1288	3,636,205	
National Life	247	727,000	20,562			152,151	2240	5,398,522	77,892
New England	489	1,246,703	47,708	5091	10,592,287	345,738	5550	11,838,900	237,743
New World	10	245,000	1,169				10	245,000	
New York Life	2922	6,315,728	239,332	20338	44,205,884	2,135,097	25287	53,390,048	1,026,328
Northwestern	1378	4,448,880	148,144				1534	39,617,723	645,053
Occidental	1078	2,161,210	76,786	1967	4,664,462	161,185	3009	6,745,542	9,630
Pacific Mutual	2419	6,400,247	227,673	14542	31,810,855	1,372,051	20201	41,869,657	423,240
Penn	652	2,185,353	86,999			19,145,706	7869	21,331,139	202,328
Pittsburgh	272	1,505,658	15,433	867	2,128,632	77,537	1139	3,694,290	52,441
Phoenix	477	985,727	30,870	1961	3,974,206	173,788	2438	4,569,993	93,910
Provident	532	1,542,134	37,904	3168	7,096,455	247,097	3700	6,638,587	62,415
Prudential	3056	4,131,769	113,271	8282	11,431,559	388,471	11320	15,876,311	105,703
Reliance	379	679,960	20,749	300	661,150	18,403	679	1,341,010	1,000
San Francisco	1244	3,996,085	117,644	632	1,865,650	89,768	1732	5,375,235	6,300
Scranton	380	1,006,360	22,872	368	1,978,000	26,391	420	1,143,360	2,500
Security	96	179,072	3,549	167	363,000	14,257	263	542,072	3,000
State	79	374,205	10,447	699	3,136,042	129,347	778	3,510,247	15,000
Travelers	1016	2,322,873	59,831	3778	9,142,724	297,632	4794	11,465,597	
Union Central	450	1,269,950	40,594	2290	6,062,199	281,075	2740	7,332,149	202,664
Union Mutual	158	269,000	8,770	2807	4,044,541	177,550	2965	4,313,541	55,040
West Coast Life	1267	2,291,312	86,650			197,988	3203	7,339,944	32,419
Western States	1893	4,419,350	166,206	1039	2,846,600	119,403	2932	7,265,950	29,678
Totals (Ordinary) 1912	35451	83,606,184	2,791,581	139543	351,088,749	13,678,570	217009	422,773,038	6,465,801
Totals for 1911	27279	62,932,692	2,230,718	149059	323,163,982	12,437,651	185146	402,680,989	5,266,631
Totals for 1910	24365	54,379,797	1,844,910	127128	272,729,112	11,625,619	166939	391,875,291	4,668,892
Totals for 1909	21766	48,341,106	1,365,619	113687	246,366,990	10,811,652	156225	335,225,707	4,320,314
Totals for 1908	17253	40,568,218	1,284,974	115661	246,135,206	10,282,719	141802	303,651,156	4,275,310
Totals for 1907	17130	37,219,800	1,194,165	103603	227,917,367	9,781,096	141091	303,038,614	5,056,817
Totals for 1906	23734	36,284,407	1,316,215	103091	238,242,096	9,528,238	139629	295,433,138	4,141,378
Totals for 1905	32701	51,534,852	1,954,049	89869	229,573,761	8,806,998	139046	292,875,726	3,436,491
Totals for 1904	38542	59,142,784	2,319,663	71653	207,041,612	7,919,512	129946	274,704,286	3,172,815
Totals for 1903	31666	55,439,540	2,258,994	59002	174,249,097	6,653,647	107815	239,838,747	2,901,732
Totals for 1902	21233	41,508,991	1,868,163	50068	163,483,687	5,778,122	83976	200,836,670	3,086,226
Totals for 1901	15251	32,950,280	1,362,902	43203	132,736,500	4,879,136	71800	176,271,625	2,975,897
Totals for 1900	14087	29,770,386	1,250,618	7905	118,758,208	4,432,794	6100	158,157,035	2,430,649
INDUSTRIAL									
Metropolitan 1912	41780	6,954,093	95,619	181570	32,430,204	1,111,051	230982	38,375,359	323,183
Prudential 1912	36701	5,610,506	65,748	56798	8,598,512	295,866	77555	11,657,556	61,426
West Coast Life 1912	19497	2,936,265	12,547			153,953	27505	3,742,758	36,608
Totals (Industrial) 1912	97978	15,500,864	163,915	238368	41,028,716	1,560,871	334242	53,775,673	420,678
Totals for 1911	89844	13,816,386	204,644	202347	35,495,433	1,265,952	284062	46,092,104	354,328
Totals for 1910	90669	14,307,792	197,743	189033	31,979,211	1,087,672	241742	40,040,942	304,356
Totals for 1909	77104	10,647,380	125,563	151094	27,584,658	933,435	202455	34,406,886	275,575
Totals for 1908	57425	8,975,460	76,645	127825	23,857,499	843,817	165636	28,578,770	222,932
1907	53260	9,198,086	188,091	110994	21,353,411	728,496	149026	26,588,980	212,702
1906	53572	10,253,241	84,322	96839	18,536,291	656,356	125434	22,798,849	211,381
1905	45320	8,180,949	99,060	95270	18,366,288	636,645	129150	22,781,076	175,855
1904	44180	8,538,328	90,880	80106	16,712,793	576,272	112208	21,156,520	169,934
1903	40158	8,660,765	222,624	77081	14,955,494	384,451	99919	19,214,475	148,061
1902	30880	10,202,571	346,916	66098	13,105,177	447,103	92562	18,164,855	117,748
1901	29956	18,233,327				151,309	80663	13,644,260	30,593
1900	44304	10,554,720		33530	6,226,372	356,419	63876	12,000,127	6,2669

† First week's premium only.

* Assessments received on Assessment Certificates, \$292,428.

INSURANCE OF ALL KINDS

NEW ANTI-REBATE, ANTI-TWISTING, ANTI-MISREPRESENTATION LAW OF CALIFORNIA

Amended in Assembly May 2, 1913.

Amended in Senate April 8, 1913.

Senate Bill No. 897

Introduced by Senator Kehoe, Jan. 28, 1913.

Referred to Committee on Insurance.

An Act Concerning Insurance Companies, Associations and Societies and their Agents and other Persons, Firms and Corporations, Prohibiting Rebating, Misrepresentation, and Twisting, and Providing a Penalty for a Violation Thereof.

The people of the State of California, do enact as follows:

Section 1. No insurance company, association or society, by itself or any other party, and no insurance agent, solicitor or broker, personally, or by any other party, shall offer, promise, allow, give, set off or pay, directly or indirectly, any rebate of, or part of, the premium payable on the policy, or on any policy, or agent's commission thereon, or earnings, profit, dividends or other benefit founded, arising, accruing or to accrue thereon, or therefrom, or any other valuable consideration or inducement to or for insurance, on any risk in this state now or hereafter to be written, which is not specified in the policy contract of insurance; nor shall any such company, association or society, agent, collector or broker, personally or otherwise, offer, promise, give, sell or purchase any stocks, bonds, securities or property or any dividends or profits accruing or to accrue thereon, or other thing of value whatsoever as inducement to insurance, or in connection therewith which is not specified in the policy. Any company, association, society, officer, solicitor, agent, broker or other person who knowingly violates any of the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof, shall be sentenced to pay a fine [of not more than five hundred dollars for each and every violation, or in the dis-

cretion of the court, to imprisonment not more than six months] or to both such fine and imprisonment. The insurance commissioner shall have authority in his discretion to revoke the license theretofore issued to any company, association, society, agent or broker convicted by a court of competent jurisdiction of a violation of this section. This section shall not, however, be construed as authorizing the revocation of the license of a company, association or society where the violation is shown to have been by an agent without the knowledge of and contrary to the published instructions of the company. No insured person or party shall receive or accept directly or indirectly, any rebate of premium or part thereof, or agent's, solicitor's or broker's commission thereon, payable on the policy, or on any policy of insurance, or any favor of advantage or share in the dividend or other benefit to accrue thereon, or any valuable consideration or inducement, not specified in the policy contract of insurance. The amount of the insurance whereon the insured has received or accepted, either directly or indirectly, any rebate of the premiums or agent's, solicitor's or broker's commission thereon shall be reduced in such proportion as the amount or value of such rebate, commission, dividend, or other consideration so received by the insured, bears to the total premium on such policy. Nothing in this section shall be so construed as to prohibit any company issuing non-participating life insurance from paying bonuses to policyholders or otherwise abating their premiums in whole or in part out of surplus accumulated from non-participating insurance; nor to prohibit any company transacting industrial insurance on the weekly payment plan from returning to policyholders who have made premium payments for a period of at least one year directly to the company at its home offices, a percentage of the premium which the company would have paid for the weekly

collection by its agent of such premiums; nor to prohibit any life insurance company doing business in this state from issuing policies of life or endowment insurance with or without annuities at rates less than the usual rate of premiums for such policies insuring members of organizations or employees of any employer who through their secretary or employer may take out insurance in an aggregate of not less than fifty members and pay their premiums through such secretary or employer. [This section shall not apply to any contract of insurance upon or in connection with marine or transportation risks or hazards other than contracts for automobile insurance.]

Sec. 2. No insurance company, association or society, or any officer, director, agent, broker or solicitor thereof shall issue, circulate or use or cause or permit to be issued, circulated or used, any written or oral statement, or circular misrepresenting the terms of any policy issued or to be issued by such company, or misrepresenting the benefits or privileges promised under such policy, or estimating the future dividends payable under any such policy. No insurance company, association or society, officer, director, agent, solicitor or broker, or any person, firm, association or corporation, shall make any misrepresentation or incomplete comparison of policies, oral, written or otherwise, to any person insured in any company for the purpose of inducing or tending to induce such person to take out a policy of insurance, or for the purpose of inducing or tending to induce a policyholder in any company to lapse, forfeit, or surrender his insurance therein and to take out a policy of insurance in another like company. Upon satisfactory evidence of the violation of the provisions of this section, by any insurance company, association or society, its officers, solicitors or agents, or any insurance broker, the insurance commissioner shall forthwith revoke the certificate of authority of such company, association or society, its officers, solicitors or agents, or any insurance broker, and no license shall be issued to such company, association or society, officers, agents, solicitors, or brokers, within one year from the date of the revoca-

tion of such license; provided, however, that the violation of this law by an agent [or] solicitor [] shall only be considered prima facie evidence of a violation by the company that such agent, [or] solicitor [] represents. Any insurance company, association or society, agent, solicitor or broker, or any person, firm, association or corporation, violating the provisions of this section of this act shall be guilty of a misdemeanor and upon conviction thereof, the offender or offenders shall be sentenced [to pay a fine of not more than five hundred dollars for each and every violation, or in the discretion of the court, to imprisonment not more than six months, or to both such fine and imprisonment].

Sec. 3. No person shall be excused from testifying or from producing any books, papers, contracts, agreements or documents at the trial or hearing of any person or company, association or society charged with violating any provision of sections 1 and 2 of this act, on the ground that such testimony or evidence may tend to incriminate himself, but no person shall be prosecuted for any act concerning which he shall be compelled so to testify or produce evidence, documentary or otherwise, except for perjury committed in so testifying.

Among our recent callers was Willard Done, Utah's best commissioner of insurance; and Secretary Martin of the Northwestern Mutual Fire of Seattle, who, we are told, is making money out of growing grain in the Northwest.

A referendum vote on the new compensation act of Oregon is threatened. Labor (organized) threatens to have a new law.

The educational bureau of the Detroit Conference has been dropped with a dull thud, and the smaller dues will hereafter hold the more pocket-sensitive members.

A referendum effort will be made to repeal Ohio's compensation law and replace it with one more just to employers.

Eternal vigilance is the price of safety when the legislature or the congress is in session.

**Insurance Paid on the Trites-Wood
Loss at Michel Mines, B. C.**

Aetna	\$ 2,455
Commercial Assurance	5,411
Commercial Ins	1,964
Fidelity Phenix	3,956
Globe & Rutgers	2,456
Guardian	4,911
Home of N. Y.	1,964
Imperial Und. Corp.	1,500
Ins. Co. of N. A.	2,456
London & Lancashire	2,456
Mercantile Fire	2,947
National Fire	2,456
N. Y. Und	4,911
Niagara Fire	2,456
North British & M.	4,911
Norwich Union	4,911
Phoenix Assurance	12,032
Phoenix Ins.	2,456
Queen	4,911
Sun Ins. Office	2,210
Westchester	2,455
Yorkshire	2,952
Total	\$77,167

President E. J. Haynes of the Newark Fire is making his first visit to the Coast. He is now in San Francisco.

Charles Cremer, secretary of the German of Illinois, visited San Francisco last week and appointed J. H. Richards general agent for California, to succeed David Duncan, who is now manager for the Globe Indemnity.

Santa Barbara, Cal., has gone "dry" and twenty-three saloons must go out of business on August 1. Wholesalers and hotel keepers retain the privilege of sale. Restaurants are prohibited from serving California wines or other liquors with meals.

The California legislature has adjourned after passing 1,076 out of 3,942 measures introduced. Two bills affecting insurance became laws—the industrial and the anti-twisting-rebating. The pet measure of the organized locals was easily killed. The California association of local agents appears to have no influence in politics nor with the national association.

Embezzlement Decision

Defendant, which joined in reinsurance of a risk against embezzlement which plaintiff reinsured, held not relieved from liability to plaintiff on account of a loss, on the theory that the total amount embezzled while defendant was a coinsurer did not equal the amount which had to be taken before liability attached under the policy issued by plaintiff.

An insurer may recover from a reinsurer before the former has actually paid the insured.—French Mut. General Society of Mutual Insurance Against Theft of Paris v. United States Fidelity & Guaranty Co. of Baltimore City, 203 F. 558.

The N. Y. state insurance department found it necessary to add \$38,000 liability to the Williamsburg City's reported unearned premium fund.

San Francisco.—Values have been arbitrarily increased by the assessors—outside lands doubled—and the tax levy increased to \$2.14 a hundred. Before the fire it was about \$1.15. The proletariat favors every bond proposition, and it is now proposed to vote nearly \$4,000,000 bonds for municipal street car lines not needed. Poor property-owners! The preforming reformers will some day put the tax-payer out of his misery by making it a crime to save money and hold property of any kind.

Portland.—A new American LaFrance auto combination chemical and hose wagon has been put in service at fire station 23, 367 East 7th street. This wagon contains a 60-gallon chemical tank, 2,000 feet 2½ inch hose, 150 feet chemical hose,

An Illinois State official has been reading some field man's "paper." He says that the hobble skirt is responsible for incendiary fires in unfashionable skirt factories.

Saul Epsteen, appointed state insurance commissioner of Colorado, is a graduate of the University of California and a doctor of philosophy with a Zurich diploma. His parents live in San Francisco.

Lloyd Wood of the Meridian, Cal., arson case has been sent to the "pen" for four years.

PALATINE OF LONDON

Increasing Resources and Annual Business

The home office of the Palatine Insurance Company of London has \$500,000 paid-up capital and some \$4,000,000 assets. In addition, it has behind its contracts the very many more millions of gross fire assets of the Commercial Union Assurance Co. Premiums to the amount of \$2,421,749 were written last year, with 54 percent losses. Income was some \$241,000 in excess of all disbursements. The annual statement is a good showing of underwriting profit, and more than \$1.50 of assets for every \$1.00 of liabilities.

The United States branch has large resources and made gains in premiums and reinsurance reserve last year. Losses and expenses were 91 percent of the premiums, which left a good underwriting profit after increasing the reinsurance reserve.

The Pacific Coast department wrote \$235,263 premiums with the moderate loss ratio of 43 percent. E. T. Niebling is manager and H. L. A. Bates is assistant manager.

As previously stated, the Coast Review's Fire Chart contains the names of ten fire companies due to retire in 1913. The companies which have already retired are the American Union, Imperial, Sioux Fire, Western & Atlantic and the North Coast. There are certainly several other companies bound to retire before the close of the year. Study the figures carefully and you can pick them out.

The Spectator Company has issued the following errata notice in connection with its 1913 edition of "The Handy Chart of Casualty, Surety and Miscellaneous Insurance Companies in America:"

"American Surety Company, Page 6.—Management expenses for 1912 should read \$1,653,510, making the percentage of management expenses to premiums 61.5 instead of 75.2. The total for the ten years should be changed, for management expenses, to \$11,-

626,894, and the ratio of management expenses to premiums to 57.5." This notice was made necessary by an error of \$100,000 in the office of the Spectator Company in footing up the management expenses of this company and also by the inclusion in management expenses of sums expended for taxes, repairs and expenses in connection with the realty holdings, which items have heretofore been properly excluded in calculating the ratio of management expenses to premium receipts.

Miscellaneous

The American Health and Accident of Des Moines has reinsured and quit.

The Equitable Surety of St. Louis has written a five hundred thousand dollar bond on the city collector.

The Kansas insurance superintendent reports to the governor that the liability and compensation claims in that state have for thirteen years amounted to an average of 62 percent of the premiums received, and the average company has lost money on such business in the "sun flower" state.

The losers say that as the plate glass companies paid San Francisco quake losses, they must also pay Dayton flood losses. They promise all their business to the company or companies who recognize a liability at Dayton, although the policies exclude liability for flood as well as for quake damages. The flood and the floating objects broke about all the plate glass windows and store fronts in Dayton.

The federal court in Washington has ruled that the workmen's compensation act is not unconstitutional, nor does it interfere with interstate commerce.

Insurance Is No Longer a Private Right

The New Hampshire supreme court rules that the business of insurance is no longer a private right but a matter of public concern—a franchise subject to regulation by the state for the public good.—86 A. 356.

—The San Francisco fire department expects to take over the auxiliary high pressure system about July 1.

ANNUAL STATEMENT

Of the Condition and Affairs of the

PALATINE

INSURANCE COMPANY, Ltd.
of LONDON

For the Year Ending December 31, 1912

CAPITAL PAID UP, - \$500,000.00

ASSETS

Stocks and Bonds	\$2,953,690 00
Cash in Banks	308,178 31
Premiums in Course of Collection	469,128 87
All Other Assets	212,256 79
Total Assets	\$3,943,253 97

LIABILITIES

Reinsurance Reserve	\$1,958,057 96
Unpaid Losses	224,625 00
All Other Liabilities	464,217 98
Total Liabilities	\$2,646,900 94

Surplus to Policyholders, - \$1,296,353 03

INCOME

Net Premiums	\$2,421,749 42
Received for Interest, Etc.	127,351 81
Total Income	\$2,549,101 23

DISBURSEMENTS

Losses	\$1,329,546 42
Commissions	513,314 52
Salaries and all Expenses of Management	270,914 81
Taxes and Other Expenditures	194,376 21
Total Disbursements	\$2,308,151 96

Assets in United States, : : \$3,250,576 54
Surplus in United States, : : \$1,250,571 28

Pacific Coast Branch: Security Building, 343 Sansome Street
SAN FRANCISCO

E. T. NIEBLING, Manager
H. L. A. BATES, Assistant Manager
WILLIAM IRELAND, Marine Secretary

New York Insurance Department Report

Albany, N. Y., May 5, 1913.

A summary of the business of fire, fire-marine and marine insurance companies operating in this state during 1912, contained in Part I of the annual report of the state insurance department made public today by Superintendent of Insurance Emmet, shows that at the close of the year the 234 fire, fire-marine and marine companies doing business in New York were possessed of \$679,659,784 of admitted assets, not including assets held abroad nor the premium notes of mutual companies, an increase of \$51,517,662, as compared with the financial returns of the companies for 1911. The liabilities other than capital were \$363,019,144, an increase of \$26,634,468 over those of the preceding year. The total income was \$381,724,687 and disbursements \$344,258,738, an increase as compared with 1911 of \$27,477,920 in income and \$23,944,413 in disbursements. The premiums written increased \$26,500,000. The losses paid show an increase over the previous year of about \$7,000,000. The total insurance in force at the end of 1912 was slightly more than \$52,374,000,000, an increase over the previous year of about \$4,300,000,000. The underwriting gain, as shown by the underwriting and investment exhibits filed, was about \$19,000,000, while the total net gain in surplus from all sources was \$12,378,225, a decrease from 1911 of nearly \$3,000,000. Twenty-one more companies reported in 1912 than in 1911.

It would seem that while the business of 1912 produced more satisfactory results from an underwriting standpoint than that of the preceding year, the lower values of the securities owned by the companies, however, fully offset the increased trade profit of the business when the aggregate gain in surplus is considered.

A matter that deserves more than passing attention is the lesson taught by the conflagrations of the past which shows that a recurrence of similar conditions is liable to be met at any time and in the natural course of events is sure to be presented

sometime. It therefore stands the companies in hand to so conserve their resources by careful writing and economy of administration that when the call comes (as it surely will) they may be in a position to successfully withstand the financial strain that will be necessarily placed upon them.

The fire companies wrote in New York during 1912 \$5,835,715,118 of insurance, an increase of more than \$281,500,000 over the amount written in 1911. The excess of fire premiums received over fire losses incurred and estimated expenses of New York State business for the year was \$5,561,000. The fire premiums received increased \$2,600,000, while the incurred losses decreased about \$1,000,000. The marine and inland risks written in this state during 1912 by fire and fire-marine companies show an increase of nearly \$629,000,000.

Ten companies whose figures appear in the 1913 Coast Review Pacific Fire Chart will retire this year. Pick 'em out.

James Branscombe, district secretary at Butte, is in San Francisco, consulting physicians.

Samuel J. Miller, a well known San Francisco broker, has just lost his wife, who while ill and temporarily demented committed suicide by turning on the gas.

President Green of the Pacific Coast Casualty is in the Northwest, where a branch office will be established.

Marshall Frank has retired from the Pacific Coast Casualty and is now in the East and may go to Europe. His stock has been purchased by President Green and associates. Kirkham Wright succeeds him as a director.

If the state rating bill in California had become a law some 30 fire companies would soon have withdrawn from the Coast. The Assassination Underw. would have disincorporated. This fact is the only fly in the ointment.

Sacramento.—The bill permitting the organization of liability mutuals has passed.

The Home of New York is now 60 years old.

Hawaii Fire Business in 1912

Present Population 225,000
Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Etna	\$ 492,978	\$ 10,908	\$ 100
Agricultural	170,200	3,834	1,100
Alliance	147,800	2,815	
American Central	342,671	6,438	114
American Union	31,022	563	
Atlas	705,215	16,761	19
British America	209,175	3,302	25
California	589,712	13,468	204
Caledonian	365,980	6,869	15
Camden	155,060	3,281	27
Citizens	105,291	2,820	83
Colonial	332,790	9,509	750
Com. Union Assurance	373,901	10,889	506
Connecticut Fire	43,026	1,061	
Equitable F. & M.	73,650	1,620	10
Fire Association	27,100	769	
Fireman's Fund	765,194	17,269	231
German Alliance	52,773	1,045	
German-American	779,522	14,763	105
Girard	30,000	498	
Globe & Rutgers	439,250	10,748	
Globe Underwriters	24,900	382	
Hamilton Fire	1,000	100	
Hartford Fire	1,012,441	16,005	10
Ins. Co. of North Amer.	338,850	7,913	389
London Assurance	577,957	13,903	197
London & Lancashire	801,590	17,571	642
Mercantile F. & M.	39,469	767	52
Mercantile F. & M. Und.	63,888	1,114	
Michigan F. & M.	18,000	407	
Michigan Commercial	81,564	1,226	
Minnesota Und.	20,250	310	
National Fire	832,544	18,833	3,000
Newark	15,870	329	
New Zealand	535,706	11,860	407
Niagara-Detroit Und.	15,669	378	
Niagara Fire	552,886	13,220	1,364
Norwich Union	405,745	9,869	1,747
North Brit. & Merc'tle.	427,900	10,595	603
Orient	246,410	5,969	
Palatine	387,033	6,198	1,332
Pelican	31,250	666	5
People's National	2,500	26	
Phoenix Assurance	165,738	3,535	24
Phoenix of Hartford	343,495	7,983	5
Protector Und.	-4,150	-61	
Providence-Washington	75,662	2,290	
Queen Ins. Co. of Amer.	682,030	11,317	942
Royal	955,169	24,597	9
Scottish Union & Nat'l.	263,762	5,916	
St. Paul F. & M.	389,864	6,403	105
Sun of New Orleans	12,250	180	
Svea	18,300	346	
Westchester	130,100	2,879	
Western Assce	82,250	1,937	
Yorkshire (2 mos. only)	24,700	665	
Total Hawaii	\$15,751,975	\$344,979	\$14,122
" in 1911	16,434,549	344,076	74,280

Yellowstone Park

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Camden	\$ 8,000	\$ 183	\$
Phoenix Assce	18,376	412	
Pelican Assce	2,960	66	
Westchester	18,500	428	

Alaska Fire Business in 1912

Present Population 65,000
Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Anchen & Munich	\$ 46,200	\$ 1,036	\$
Etna	252,600	4,843	21
Agricultural	123,511	3,983	59
Alliance	16,250	394	30
American Central	33,929	466	
American N. J.	54,500	986	
American Union	138,508	3,647	16
Atlas	177,500	2,490	
British America	95,025	3,310	
Caledonian	71,000	1,235	
California	193,387	4,315	212
Citizens	154,375	4,022	
Commercial Un'n Assur.	169,588	3,713	200
Connecticut Fire	120,396	2,172	155
Delaware Und.	10,500	300	
Detroit F. & M.	2,500	75	
Dubuque F. & M.	20,000	973	
Equitable F. & M.	160,885	2,393	
Fidelity-Phenix.	161,370	3,755	
Fireman's Fund	183,155	4,199	80
German Alliance	55,338	960	12
German-American	452,187	8,087	81
Globe & Rutgers	188,198	4,509	240
Globe Underwriters	12,500	230	
Hamilton Fire	16,000	74	
Hartford Fire	1,132,934	20,232	
Home, N. Y.	122,410	3,322	61
Home of Utah	14,000	148	
Ins. Co. of North America	105,900	2,730	45
Law Union & Rock	338,837	9,748	
Liv. & Lon. & Globe	111,225	2,769	200
London Assurance	386,861	10,434	155
Mercantile F. & M.	-6,000	-5,824	
Mercantile F. & M. Und.	19,500	305	
Michigan F. & M.	61,900	2,137	
Minnesota Und.	11,000	131	
National	908,699	21,297	1,277
Newark	32,965	643	
New York Underwriters	307,100	2,667	
New Zealand	189,450	4,765	122
Niagara-Detroit	205,960	4,380	50
Niagara Fire	372,484	9,164	192
Norwich Union	109,832	2,772	
Palatine	119,737	2,496	
Pelican	32,000	823	
Pennsylvania Fire	67,750	1,572	15
People's National	58,000	1,796	
Phoenix of Hartford	383,974	6,171	30
Phoenix London	135,501	4,060	159
Protector Underw.	See Phoenix of Hartford		
Providence-Washington	146,150	3,109	
Queen Ins. Co. of Amer.	144,331	2,214	67
Rochester-German Und.	139,800	2,534	
Royal	225,619	3,524	
Scottish Un'n & National	21,067	1,723	
Springfield F. & M.	228,884	5,301	136
St. Paul F. & M.	24,718	483	
Sun Ins. Office, London.	407,860	10,341	55
Sun Ins. Co., New Orleans	6,500	96	
Svea	126,281	3,798	102
Teutonia	40,500	549	
Union Assurance	190,600	4,578	15
Westchester Fire	152,433	5,143	157
Western Assurance	116,399	4,288	
Yorkshire	98,500	831	
Totals	\$8,682,182	\$222,571	\$ 3,944
" in 1911	7,546,056	458,704	108,044

Arizona Fire Business in 1912

Present Population 235,000
Reported to The Coast Review

Company	Written	Prem's	Losses Incur'd
Aachen & Munich . . .	\$ 109,869	\$ 2,240	\$ 2,464
Aetna	85,186	23,348	11,804
Agricultural	440,081	10,861	6,324
Alliance	114,824	3,843	1,032
American Central . . .	291,648	8,012	1,061
American Union	156,250	3,895	1,087
Atlas Assur. Ltd	747,305	16,529	11,229
British America	84,650	2,272	1,578
Caledonian	322,608	7,582	4,316
California	860,848	19,823	2,942
Citizens	454,892	14,215	6,694
Colonial	145,755	4,636	5,686
Commercial Un'n Assur.	455,559	10,663	3,341
Connecticut Fire	645,723	14,454	3,903
Continental	369,894	10,038	3,378
Delaware Und.	4,000	157	...
Detroit F. & M.	2,500	40	...
Equitable F. & M.	86,036	2,269	1,327
Fidelity-Phenix	354,296	9,087	2,332
Fireman's Fund	1,458,630	38,164	24,105
Fire Association	357,745	8,742	1,637
German Alliance	50,749	1,087	1,199
German-American	1,189,602	16,919	12,768
Germania Fire	348,203	10,472	1,867
Girard F. & M.	100,000	3,370	250
Glens Falls	150,000	4,845	3,082
Globe & Rutgers	395,721	8,892	3,823
Globe Underwriters . . .	6,981	5	214
Hamilton Fire	12,937	388	129
Hartford Fire	6,081,407	82,527	17,988
Home of N. Y.	1,681,133	37,650	15,304
Home of Utah	2,000	68	...
Ins. Co. of North Amer.	518,059	14,090	6,996
Liv. & Lon. & Globe . . .	1,072,230	24,461	8,860
London Assurance	727,813	15,867	5,673
London & Lancashire . .	482,408	9,085	2,121
Mercantile F. & M.	-1,895	-15	...
Mercantile F. & M. Und.	12,491	308	9
Michigan F. & M.	1,652,210	3,567	1,176
Michigan Commercial . . .	118,968	...	637
Minnesota Underwrs . . .	9,241	213	...
National Fire	1,734,055	22,194	10,152
New Brunswick	133,110	2,567	640
New Haven Underwrs. . . .	...	1,881	500
New York Underwrs. . . .	401,410	10,013	798
New Zealand	667,532	18,254	7,474
Newark	113,966	3,561	...
Niagara-Detroit	69,800	1,221	13
Niagara Fire	552,750	12,710	2,840
North Brit. & Merc'tle	563,905	11,192	6,472
Northern Assurance . . .	277,723	6,838	58
Northwestern National . .	171,410	4,381	1,718
Norwich Union	342,231	9,591	4,320
Orient	279,927	5,804	407
Palatine	450,975	11,972	2,720
Pelican	19,200	491	11
Pennsylvania Fire	342,500	7,914	5,435
Phoenix of Hartford	436,578	11,066	666
Phoenix of London	349,423	8,021	4,265
Providence-Washington . .	181,736	4,340	851
Protector Underwriters . .	See Phoenix of Hartford	...	...
Queen Ins. Co. of Amer. . . .	809,938	19,575	4,548
Royal	1,222,732	33,619	11,354
Scot. Union & National . .	322,841	7,663	176
Springfield F. & M.	1,665,813	36,672	28,821
St. Paul F. & M.	273,724	8,001	1,568

Company	Written	Prem's	Losses
Sun of London	677,431	16,419	8,053
Sun of New Orleans	26,736	671	1,252
Svea	342,225	7,590	4,280
Teutonia	73,510	1,813	2
Union Assurance	1,124,596	12,705	10,526
Westchester Fire	252,514	7,165	1,791
Western Assur.	291,281	4,163	3,213
Yorkshire	38,085	675	...
Total Arizona	\$36,818,788	\$745,424	\$302,462
" in 1911	37,494,580	773,166	383,446

Wyoming Fire Business in 1912

Present Population 170,000
Reported to The Coast Review

Company	Written	Prem's	Losses Incur'd
Agricultural	\$ 90,650	\$ 1,488	\$ 209
American Central	6,000	129	...
Atlas Assurance	507,206	9,190	2,761
British America	200,770	3,275	418
California	100,269	2,264	1,674
Colonial	288,820	5,366	2,243
Commercial Union	500	10	...
Concordia Fire	137,865	2,249	344
Continental	558,610	11,433	4,875
Delaware Und.	1,800	27	...
Fidelity-Phenix	693,681	15,790	8,212
Fireman's Fund	1,510,428	31,643	16,576
Fire Association	622,367	12,676	5,332
Franklin, D. C.	71,435	1,698	650
German American	1,015,369	17,124	10,042
Germania Fire	250,525	4,416	4,382
Globe and Rutgers	12,000	258	...
Hanover	350,000	7,687	4,642
Home, N. Y.	880,547	15,201	6,657
Home of Utah	81,875	1,332	401
Liverpool & L. & G.	3,345,784	30,448	18,339
London Assurance	310,936	5,682	3,738
London & Lancashire . . .	259,142	4,553	2,649
Mercantile F. & M.	3,000	64	...
Michigan	9,150	206	...
Milwaukee Mechanics	18,150	621	...
National Fire	821,475	14,203	3,661
National Union	65,850	903	168
New Hampshire	301,290	6,308	3,573
New Zealand	295,584	6,046	579
Norwich Union	347,441	7,233	8,919
Northern Assurance	677,845	15,157	5,378
North Brit. & Mercantile . .	342,375	7,026	4,925
Northwestern National . . .	242,272	4,046	1,297
Orient	129,525	2,283	2,759
Pelican	12,700	331	72
Peoples National	37,751	500	320
Phoenix Assurance	286,527	5,312	334
Prussian National	116,475	1,709	...
Royal Exchange	128,025	2,640	...
St. Paul F. & M.	6,000	129	...
Scot. Union & National . . .	515,722	10,241	4,168
Sun Ins. Office, London . . .	41,350	926	...
Sun Ins. Co., New Orleans . .	3,750	94	...
Union Assurance	82,342	1,616	40
Svea	265,768	4,464	1,177
Westchester	151,512	3,039	497
Western Assurance	147,775	2,950	1,017
Yorkshire	6,500	19	...
Total Wyoming	\$16,352,733	\$282,005	\$133,028
" in 1911	12,136,145	233,581	53,292

Washington Fire Business in 1912

Present Population 1,350,000

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Aachen & Munich	\$1,160,845	\$22,801	\$8,481
Atna	10,260,830	183,279	81,467
Agricultural	1,679,437	33,239	21,523
Alliance	1,256,622	21,663	10,105
American, N. J.	2,152,029	34,227	24,294
American Central	2,588,345	56,592	36,721
American Union	960,499	19,525	6,585
Atlas Assurance	3,844,589	61,085	23,806
Austin	34,981	1,003	428
British America	1,308,703	22,852	13,629
California	2,688,931	47,960	20,281
Camden	556,371	9,705	2,747
Citizens	1,770,572	32,134	13,876
Caledonian	2,717,809	45,085	16,448
Caledonian-American	173,064	3,185	1,270
Colonial	2,032,559	34,787	14,346
Commercial Un'n Assur.	3,645,635	61,846	17,177
Commercial Un'n, N. Y.	550,945	7,813	3,445
Commonwealth	34,981	1,003	428
Concordia Fire	1,262,654	21,765	15,042
Connecticut Fire	3,272,093	51,951	27,359
Continental	6,022,681	86,991	40,037
Detroit F. and M.	23,950	233	1,953
Dubuque F. & M.	85,734	1,561	1,853
Equitable F. & M.	689,344	15,587	13,683
Fidelity-Phenix	3,171,246	52,787	28,633
Fireman's Fund	7,543,139	162,121	81,723
Fire Association	2,926,110	59,419	18,690
Franklin Fire	1,550,063	25,501	11,947
German of Pa.	587,699	9,498	6,854
German Alliance	492,325	9,577	3,925
German-American	8,263,259	147,912	86,947
Germania Fire	3,442,304	55,951	28,958
Girard F. & M.	800,000	10,990	5,648
Glens Falls	1,500,000	20,684	15,205
Globe & Rutgers	2,646,526	52,067	27,509
Globe Underwriters	130,078	3,391	3,207
Greenwich	497,048	9,867	12,414
Hamilton Fire	21,000	447	4,414
Hartford Fire	10,253,080	188,707	81,946
Hanover	2,000,000	33,510	11,098
Hamburg-Bremen	2,158,606	23,252	12,069
Home, N. Y.	11,191,856	150,021	65,082
Home of Utah	325,254	4,876	1,544
Imperial	413,162	9,792	8,895
Ins. Co. of North Amer.	3,672,196	75,966	32,068
Law Union & Rock	1,604,895	26,620	14,325
Liv. & Lon. & Globe	8,119,577	171,324	83,238
London Assurance	5,886,732	110,269	70,149
London & Lancashire	3,542,447	60,823	26,741
Mechanics & Traders	1,018,721	15,500	10,857
Mercantile F. & M.	113,742	3,508	5,371
Mercantile F. & M. Und.	529,173	8,748	2,189
Michigan F. & M.	809,882	13,596	3,856
Michigan Commercial	183,874	8,040	6,063
Milwaukee Mechanics	4,352,696	63,210	28,108
Minnesota Underwrit'g	300,554	4,665	1,688
National Fire	6,528,274	107,949	42,712
National Union	4,449,901	37,627	21,438
Newark	483,292	9,270	607
New York Underwriters	2,893,576	48,011	15,296
New Brunswick Fire	909,863	14,888	9,702
New Haven Underwrit'g	80,000	1,435	565
New Hampshire	1,078,697	28,885	20,504
New Zealand	3,202,448	56,076	21,543
Niagara-Detroit Und.	353,429	6,448	630
Niagara Fire	3,345,168	72,032	49,254

Company	Written	Prem's	Losses
Northern, N. Y.	1,414,530	21,865	3,704
Northern Assurance	5,882,873	103,634	40,599
North Brit. & Merc'tle	5,915,441	118,288	30,272
Northwestern National	5,411,554	69,022	34,785
Norwich Union	2,262,312	46,711	38,611
Orient	1,803,527	29,433	19,809
Palatine	2,623,649	43,499	19,508
Pelican	587,926	9,677	5,697
Pennsylvania Fire	2,368,260	41,207	32,650
Peoples National	130,000	2,117	4,019
Phoenix Assurance	3,704,614	66,404	33,764
Phoenix, Hartford	4,341,560	77,156	48,612
Protecteur Underwriters	932,488	11,826	8,745
Providence-Washington	1,538,786	27,050	11,943
Prussian National	4,510,937	36,384	18,127
Queen Ins. Co. of Amer.	5,061,138	97,009	56,041
Rochester-German	2,055,545	35,368	21,382
Royal Exchange	2,139,529	32,147	10,027
Royal	8,249,058	154,018	61,279
Scot. Union & National	3,388,838	52,155	16,881
Springfield F. & M.	4,885,981	98,549	54,295
Standard	697,228	8,891	1,452
St. Paul F. & M.	3,237,742	63,915	47,752
Sun of London	3,905,825	68,840	33,739
Sun of New Orleans	128,387	2,612	1,821
Svea	2,332,655	48,265	37,161
Teutonia	444,943	7,450	2,653
Union Assurance	3,115,121	59,079	37,851
Vulcan	139,792	2,124	1,214
Western Assurance	2,030,382	30,665	16,883
Westchester	1,778,595	31,748	18,843
Williamsburg City	800,000	10,468	6,974
Yorkshire	877,160	12,404	2,790
Total Washington	\$259,101,414	\$4,325,071	\$2,157,602
in 1911	293,312,183	5,080,804	2,561,995

New Mexico Fire Business in 1912

Present Population 367,000

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Atlas	\$547,832	\$9,770	\$8,995
Colonial	581,045	6,086	4,402
Continental	603,788	10,352	3,186
Delaware Und.	6,050	103	103
Fidelity-Phenix	445,394	7,744	6,937
Fireman's Fund	2,059,211	37,940	18,659
Fire Association	634,991	12,169	5,491
German American	1,848,838	19,588	20,361
Germania Fire	663,015	11,862	15,752
Home, N. Y.	1,339,470	19,504	10,610
Imperial	423,126	8,023	11,562
Liv. & Lon. & Globe	1,735,989	23,582	7,662
London Assurance	551,061	9,926	3,267
London & Lancashire	462,787	8,965	4,766
National Fire	1,969,707	23,092	14,184
Norwich Union	575,654	10,554	6,868
Northern Assurance	1,087,012	20,044	13,288
North Brit. & Merc'tle	891,428	15,875	10,189
Northwestern National	311,749	5,465	4,678
Orient	359,945	6,504	1,106
Queen Ins. Co. of Amer.	759,844	14,077	9,486
Royal	1,630,389	31,077	20,527
Scot. Union & National	877,863	16,798	9,212
Westchester	566,503	10,997	8,650
Yorkshire	2,500	85	85
Total New Mexico	\$20,754,691	\$340,174	\$218,338
in 1911	20,405,857	317,586	147,841

ITEMS

—There is a Property Ins. Co. Why not a Poverty Ins. Co.?

—Though half its premiums are from San Francisco business, the Dubuque's California loss ratio last year was 74 percent. It is a nonboarder.

—Manager J. H. Patterson of the Los Angeles Fire visited New York last week and appointed H. W. Brown & Co. to represent the company in the East.

—Judgment for \$17,614 with interest, a total of \$22,500, was recently given P. V. Rooniauck against Robt. Dickson, formerly president of the defunct Guardian and Southern companies. The note sued on was given for stock of the Armenia Fire in 1905.

—Our field men's directory, revised to date, appears in our second advertising section in this issue. We do not print this as often as formerly, because the field men, and indeed the offices themselves, seem to take too little interest in the corrections and additions. We shall probably discontinue the publication of the directory soon, on that account.

—Fire Marshal's Rights.—The fire marshal of Ohio some time ago broke into a shed and removed furniture which a claimant had sworn was burned. Judgment had been obtained against the insurer (the Home). The insured caused the arrest of the fire marshal, but the court sustained his right to break into the building in search of evidence.

—Mrs. Rosalind Farnsworth, widow of the late Edward P. Farnsworth, the well-known independent adjuster, was a beneficiary of an accident policy for \$2,500, issued by the Standard Accident Insurance Company of Detroit. The policy provided for accumulations for five years at the rate of 10 percent a year, making the insurance \$3,750. The beneficiary presented a claim for this sum, and received a check for \$3,800. The additional \$50 was sent by the company as the amount also payable under the schedule of operations for laparotomy. Clarence F. Briggs is the Coast manager for the Standard Accident.

—An effort is being made to settle the claims against the Walla Walla Fire by July 1 and close up its unsavory affairs.

—The First National Fire of Washington, D. C., has completed its capital payment of \$1,000,000. The cost of organization was something like 12 percent.

—Liability.—The California legislature passed the workmen's compensation bill. A state insurance fund is created, and at the same time many offices are created, and this is the real purpose of the demagogues. Employers, on payments, may transfer their liability to their employees to the state. The 65 percent of wages as the measure of liability for wages is well calculated to encourage carelessness and persuade single men to part with some of their anatomy.

—Northern Assurance Company.—In the fire department the net premiums amounted to £1,244,464, showing an increase of £1,489 in comparison with those of the previous year. The net losses were £659,788, and the total expenses of management (including commission) were £468,406. The result is that a profit was earned of £115,526. The balance of profit and loss account, after crediting it with £195,311, the profit and interest on the fire and accident accounts, and charging it with the interim dividend paid in November last, amounts to £353,418, out of which the directors propose to add £100,000 to the fire reserve fund, to pay a further dividend of 4s. per share (less income-tax) and a bonus of 1s. per share (less income-tax) on account of the year 1912, absorbing £170,625, and leaving 182,793 to be carried forward to the year 1913. The total accumulated funds of the company on the 31st of December amounted to £7,991,753.—The Review, London.

—A Dare.—We some time since gave Noah a dare to defend the California locals' association and prove its real value; but Noah Adair didn't accept. Now we challenge his successor, Thompson of Napa Tan town, to present his proofs of the practical utility of an association which has no influence at Sacramento nor at the headquarters of the National Association. File proofs and we'll guarantee a check.

Hoadley Gets the Camden

The Coast management for the Camden Fire Association of New Jersey has been transferred to George O. Hoadley, who succeeds Macdonald & Miles. The Camden has some \$3,000,000 assets and \$838,733 net surplus. It was organized seventy-two years ago, and has always borne an excellent reputation.

Safety Fund Law

A new California law provides for the creation of a small capital safety-fund to perpetuate the organization in the event of a conflagration. New York and Wisconsin have a similar law, under which a number of the largest companies operate.

Washington Ruling of the Attorney-General

The legislature of Washington did not pass the law as engrossed but the state officials so signed it and the state constitution provides that under such circumstances a rejected clause carelessly engrossed by a clerk and signed unread by the governor and other officials becomes the law.

A clause in a bill presented at a previous session requires all companies to have a special deposit of \$200,000. This silly requirement was cut out and the bill without paragraph 4 of section 4 was passed by both houses.

The clerk, however, engrossed the rejected paragraph. Knowing the circumstances Commissioner Schively did not enforce this impossible clause; but his successor, Commissioner Fishback, said it was the law and he would enforce it. If he had done so, all the fire companies would have withdrawn from Washington.

The attorney-general has just handed down a ruling, in which he says that the clause in dispute relating to the special deposit of securities applies only to American companies applying for admission after the passage of the amended law.

This ruling will virtually prohibit the entrance into Washington of any more American companies until the clause in question is repealed.

The Northwestern F. & M., as Manager Fuller informs us, will contest the law as interpreted by the attorney-general.

Vice Pres. Stewart of the Citizens of West Virginia is in San Francisco, considering numerous applications for the agency.

Vice Pres. Bissell of the Hartford Fire is in San Francisco. General Agents Palache & Hewitt tendered him a luncheon yesterday, at which a number of underwriters were present.

The Idaho law requiring a special deposit somewhere for the protection of all policyholders has been repealed, but the state insurance department holds that such deposit must be maintained for a year.

Neal, Idaho, May 21—The Homestake 10-stamp mill and cyanide plant was burned today. Loss \$37,000.

Field Men's Notes.—N. W. Clayton Jr. succeeds Goodwin Speed, resigned, as special agent for the London & Lancashire and the Orient, with Montana and Utah as his territory and Salt Lake City as headquarters.

At Los Angeles Victor McNail has been appointed a special for the Phoenix of London.

The Norwich Union has appointed William L. Wallace special agent, with headquarters in San Francisco.

W. T. Christopher of Colorado Springs has been appointed special for the Michigan F. & M.

The North Coast Fire of Seattle, as long expected, has reinsured and will retire from business. The reinsurer is the Pacific States Fire. The North Coast stockholders will take stock in the reinsurer for such of the assets as may be left, after paying the reinsurance and claims. The stockholders stand to lose a very considerable part of the original investments in the North Coast. The Coast Review has intimated at different times that this Seattle company was a losing venture. (It succeeded a mutual of the same name in 1907.) The secretary was L. S. Frudinfeld, formerly general agent of the Queen City Fire in San Francisco.

LOOKING BACKWARD Twenty Years Ago

The Alaska canneries agreement was abrogated, as several parties to the agreement had contracted to carry cannery business at $\frac{1}{4}$ percent per month. The compact rate was $3\frac{1}{2}$ percent a year, without lacquering, or 4 percent with lacquering. For fractional parts of the year short rates were charged.

Portraits of Messrs. Okell, Donnell and Nippert appeared in the Coast Review. These gentlemen are still in the land of the living. Okell, Donnell & Co. were then representatives of the Patriot of Dublin, the Employers Liability of London and the Williamsburg City of New York. Mr. Okell still represents the Employers Liability.

Merchants Mutual of Australia went into liquidation. It was a wildcat.

The Mutual Fire of New York was operating extensively with large pretences but with declining surplus. It lost \$50,000 in one Boston fire. It later got into difficulties and retired.

The Thames & Mersey printed notices in San Francisco that it would underwrite hulls, etc., on underwriting principles but not under compact rules.

In April, 1902, sulphurous vapors from the volcano Mt. Pelee, on the island of Martinique, had so increased that breathing was difficult in the city of St. Pierre. By May 2 the fall of ashes had stopped traffic in the streets. Yet the inhabitants were not alarmed. Vulcan's great chimney had smoked before, with small damage. Moreover, it was ten miles away. But on May 8 an eruption occurred and in a minute or two the city of St. Pierre was almost completely destroyed. A blast of hot air, carrying incandescent dust, rolled down the mountain side and over the city at a speed of a mile or more a minute. Nearly all the citizens were instantly killed by inhaling this white-hot blast. A prisoner in a dungeon and a few people along the shore and in the suburbs escaped. The number of persons burned or scorched to death or asphyxiated is conservatively estimated as 30,000, within a zone of about eight square

miles. There were no heavy earthquake shocks. Eruptions of hot air from volcanoes are of extremely rare known occurrence. It is said that Kilauea on the island of Hawaii has had such an eruption.

Voss, Conrad & Co. were appointed general agents for the Frankfort Marine.

H. R. Mann was elected president of the Pacific Insurance Union, succeeding Capt. A. E. Magill.

Overheard on the Cars

"I dare any life insurance agent to come and see me," he said; "for my insured father is 94 years old and I have to pay the premiums on his policy."

Increased Premium Tax in California

Premium tax in California has been advanced to $1\frac{3}{4}$ percent. This poor state needs the money.

National Union Fire Ins. Co.

Annual statement of this Pittsburg company is as follows, in brief: assets, \$4,136,638, a gain of \$224,767; surplus to policyholders, \$1,545,227, a gain of \$13,131; reinsurance reserve gained \$284,182; premiums, \$2,302,953, gained \$230,352; losses were 49 percent and expenses were 39 percent of the premiums. Coast premiums, \$364,584, with 37 percent loss ratio. In California, Dixwell Hewitt is manager of the Metropolitan department at San Francisco, and E. C. Dietz is assistant manager.

Montana Annual Report

Insurance department of Montana is among the first to issue the report this year. We are indebted to Commissioner Keating for a copy.

The fire loss ratio was 58 percent. The premiums increase \$100,500—but losses increased \$300,000. The loss ratio had been very light since 1905, when it was 69 percent. In 1912 losses, expenses and taxes exceeded the earned premiums of Montana. Eight of the companies incurred losses in excess of premiums.

The North River had a 66 percent loss ratio. The Reliance had a 69 percent loss ratio.

CHIPS

—Practically all the death claims of the Equitable Life are paid within one day after receipt of proofs.

—San Francisco peninsula reservoirs have only 15½ billion gallons as compared with 28½ billion two years ago.

—The Preferred Accident has increased its rates slightly in Missouri because the law of that state makes suicide an "accident." All accident companies should make such rate increase.

—Investments.—The California legislature enacted a toned-down "blue sky" law which apparently will prevent the organization of insurance and other wildcat companies. This is unfortunate for a certain lawyer in San Francisco, a friend of Otto Van Laningham.

—Victoria, B. C., holds its first annual water carnival August 4-9 of this year. There will be a congress of insurance men of Washington and British Columbia also in Victoria during carnival week. Victoria, the "bit of old England on the Pacific," also considers itself "the Western Venice." It is a city well worth visiting.

—Cancer.—F. L. Hoffman, statistician for the Prudential, in a recent address said that the annual mortality from cancer in this country is 75,000, and the death rate from this cause is increasing in all civilized countries 2½ percent per annum. The average age of those dying from this disease is 59. The menace of cancer is declared to be a very serious one for the race. Only early operative treatment is known to be a cure. It is not yet known whether a germ or a cell defect is the cause.

—The Atlas Assurance Co.—In 1912 the net premiums in the fire department were £1,082,440 and the losses £548,725, being 50.6 percent of the premiums. The underwriting surplus of the account is £143,577, and, after adding £16,509 to the reserve for unexpired risks, there remains a profit of £127,068, which has been carried to profit and loss account. Out of this profit a sum of £70,665 has been transferred to the fire insurance fund, making it £1,153,752.

—Hawaii.—No insurance legislation.

—Wildcatter Frank Anthony got 9 months in jail and \$500 fine.

—Fire premiums increased 5 percent in the United States last year.

—Mutuals.—A new law in California extends the privileges of the mutuals.

—Spokane.—The state insurance department is examining the Western Union Life.

—California.—Officers of insurance companies may not hereafter borrow the funds of same.

—Marine.—The World Marine and the London & Provincial Gen. are to be taken over by the Yorkshire.

—The Metropolitan Life is paying over a half million a month bonuses to its industrial policyholders.

—It seems sure now that the Insurance Congress will be a success. We'll all have to take off our hats to Hathaway.

—Cave-in insurance is now written in Pennsylvania. "Caved-down-the-bank" insurance is needed in California.

—Life.—Montana is certainly prosperous. Life insurance written gained nearly \$4,400,000 and premiums received gained \$344,000.

—In California sec. 594 is amended. It relates to classification and capitalization therefor. S. B. 890 regarding the embezzlement of premiums was passed.

—Wins in Oregon.—In the supreme court the Union Pacific Life Ins. Co. has won in its controversy with Ins. Commissioner Ferguson. The point at issue was the sufficiency of the paid-up capital before beginning business.

WANTED---A Strong non-Board

Company. Prefer one with small business in this city on the books. Good business assured. Party thoroughly responsible.

Address E. N. H.

Elk's Club, Portland, Ore.

Embezzlements

The following comparative statement showing the embezzlements of the past two years has been compiled by the Fidelity & Casualty Company. The information for 1911 and 1912, as collected by its bonding department, is shown in the following table:

	1912	1911
Banks and trust co's	\$4,630,785	\$ 2,666,540
Beneficial ass'ns	143,295	477,858
Public service	187,449	1,736,428
General business	1,767,405	4,417,250
Insurance cos	51,683	60,279
Court trusts	188,395	356,836
Transportation co's	50,304	310,551
Miscellaneous	214,140	1,456,300

Total \$7,233,456 \$11,482,051

Fair Notes.—Machinery bldg. is half completed as to trusses—all wood—and connections; 47,000 feet of lumber is being put in place daily by 400 men. The building will be two blocks—nearly 1,000 feet—long and nearly one block wide. At the west end it would be a perfect windbreak, but it is on the east end of the grounds, near the

government docks. The work of pile driving on the grounds continues. It is said that the filled-in ground has already sunk. No other exhibit building has been started as yet.

The Bankers International Life of Denver, Colo., has taken over the German American Indemnity of that city. The Bankers has a capital of \$225,000, which will be increased to \$325,000 to take care of the \$100,000 capital of the German American.

See?—A few days ago there occurred in Ontario, Canada, the heaviest shock of earthquake ever known in that province. The effects were felt in the towns and cities of northern New York. The vibrations fell little short of being a No. 9. Prof. Lee argues that earthquakes are caused by sea water filtering down to the "eternal fires." But Ontario in 1913 is a long way from the ocean; and so was the great Missouri shake of 1912. By the way, heavy recorded earthquakes average 50 a month.

Can any St. Louis life company succeed? Ask Boss Cox.

Are You Looking for Permanent Success?

You will find it by selling insurance for The Pacific Mutual Life Insurance Company of California because its liberal policies, Life and Accident, are what the people want—*provided* you will

SEE THE PEOPLE.

Life Department

J. N. RUSSELL, Jr.,

Manager,

Pacific Mutual Building,
Los Angeles, Cal.

or

KILGARIF & BEAVER

Managers,

Shreve Building, San Francisco, Cal.



Organized 1868

Accident Department

The McCUISION CO.

General Agents,

Story Building,
Los Angeles, Cal.

or

F. A. STEARNS

Manager,

Shreve Building, San Francisco, Cal.

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1912) . . . \$9,558,099.00

NET SURPLUS, " 3,738,799.00

E. F. BEDDALL
President

N. S. BARTOW
Secretary

GEO. W. BURCHELL
Vice-President

Gross Assets, ^{JAN. 1} 1912 \$99,466,277

Exclusively Fire Assets 44,632,557

Net Surplus, - 16,652,238


Losses paid, 235,136,672

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager

LIVERPOOL, ENGLAND

DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta,
San Francisco, Montreal.  Agencies in all principal Cities and Towns



ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING, SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

FIRE

Some of the Chicago brokers are refusing to do business with fire companies that remain in Missouri. They take the ground that these companies must be pretty badly off for business to remain in Missouri, and don't care to take chances with them. The brokers state that they have been affected by companies going out of business and the danger will be that any company remaining in the state now will load up too heavily. They are withholding business from the Standard of Hartford.

A strong law governing Lloyds organizations was passed this year in Minnesota. Heretofore such concerns organized with \$50,000 cash and \$50,000 in notes could secure license in the state, and they were not required to put up any reserve. The new law requires

them to have \$250,000 in cash and they must put up the same reserve as the stock companies.

Pasadena, Cal.—David B. Schwartz, a local agent, was killed when a train struck his automobile.

Roseville, Placer Co., Cal.—It is proposed to have a municipal water system. The town owns its fireplugs.

The companies say that it is a high-handed outrage to attempt to collect under the lightning clause, for tornado losses at Omaha. Proofs of loss are already being received by the companies in which lightning is given as the cause. All the companies agree that there is absolutely no liability under the lightning clause and that the devastation at Omaha was due to wind. It is likely that the companies will take concerted action against all attempt to collect in this way.

Fire and Automobile Insurance

American of Newark

Chartered in 1846

Capital Stock	\$1,000,000.00
Liabilities	5,431,072.05
Special Reserve Fund	300,000.00
Net Surplus	3,135,102.52
Total Assets	\$9,866,174.57

P. L. HOADLEY, Pres't.

C. W. BAILEY, Sec'y.

Pacific Department, San Francisco, California

GEORGE O. HOADLEY, Manager

THOS. H. WILLIAMS, Asst. Mgr.

New Officers

Portland, Me.—The Union Mutual Life has promoted Asst. Sec. Sylvan B. Phillips to the second vice-presidency and appointed Harold D. Lang assistant secretary. President Richards has appointed his private secretary, Ludwell L. Howison as assistant to the president.

The Woods, Charged with Arson

Up Colusa way, in California, the two Woods "boys," said to be of good family, were charged with arson. They were traced to Meridian and back, after the burning of the grain warehouse at that place. Recently they were tried. Lloyd P. was found guilty of embezzling 1,221 sacks of barley, belonging to Strauss & Co. of San Francisco. The district attorney then asked that the charge of arson be dismissed. The court granted the request and sentenced Wood to four years in the penitentiary. Ira Wood withdrew his plea of not guilty of arson and pleaded guilty. The court made an order suspending judgment and admitting defendant to four years' probation.

The examinations of the Insurance Institute of America will be held in the week beginning May 12th. These examinations are under the supervision of E. R. Hardy, assistant manager of the New York Fire Insurance Exchange, who is chairman of the committee on examinations of the institute. They will be held simultaneously in Boston, Philadelphia, San Francisco and other cities, where there is an insurance society affiliated with the institute. Examinations cover fire, life and casualty subjects.

Objectionable laws recently enacted in the state of North Dakota governing the writing of hail insurance will com-

pel most of the large companies to cease writing this class of insurance in that state. Several companies have already notified their agents to cease writing.

"Gentlemen should not emigrate, it being more profitable to grow produce under a glass at home." So begins an advertisement in a London daily-print.

It is reported that the live stock companies suffered heavily in the Ohio and Indiana fields. It is estimated that 5,000 horses and 10,000 cattle were destroyed.

Money is reported to be unusually scarce in Canada.

A friend of San Francisco's "socialist mayor" asks, "why should he care for the votes of insurance men, since they all live across the bay?"

A bungalow near Los Angeles has an Indian "fireside" open all around. Have you any insurance on it? Why not? Did you ever know an Indian wigwam to burn?

Why is it that crazy men have the best chance of election to the legislature? In Missouri, the climate explains; but in California?

A Portland field man is advertising for "a strong non-board company."

Canada.—The Alberta-Saskatchewan Life expects to complete its organization within a year.

The rate on call loans is 6½ percent in Canada.

It is reported that since the recent wind storms five millions of tornado insurance has been taken out in Iowa, and that the companies are overwhelmed with rush orders for protection against tornadoes.

Portland.—In 1912 the number of water users in this city increased 10,902. Postal receipts increased over 10 percent.



Main Offices
56 Cedar Street

ORGANIZED
APRIL 13th, 1853

THE HOME Insurance Company NEW YORK


ELBRIDGE G. SNOW,
President

The completion of SIXTY YEARS finds THE HOME in the premier position among the Insurance Companies of the world not only in respect of FIRE ASSETS and SURPLUS to POLICY-HOLDERS—but with an unexcelled record for fair dealing in every emergency as well as in ordinary routine—with an unsurpassed equipment, and with the ability as well as the readiness to serve the public, its agents and brokers.

AMERICAN COMPANIES

CAPITAL.	FINANCIAL CONDITION			INCOME		EXPENDITURES			RATIOS		PACIFIC DEPT.				
	NET SURPLUS YEAR ORGANIZED.	GROSS FIRE ASSETS	LIABILITIES	SURPLUS AS TO POLICY HOLDERS	REINSURANCE RESERVE	NET PREMIUMS RECEIVED	TOTAL INCOME	TOTAL EXPENDITURES	LOSSES PAID	EX-PENSES	LOSSES TO PREMIUMS	EXPTS TO PREMIUMS	PREMIUMS RECEIVED	LOSSES PAID	LOSS RATIO
AMERICAN CENTRAL	1913	5,549,279	3,189,004	2,410,275	2,792,040	\$ 3,475,598	3,240,870	1,314,266	\$ 1,686,005	\$ 1,314,266	52.0	40.5	306,335	121,198	39.5
ST. LOUIS, ILLS.	1912	5,550,103	2,691,873	2,858,240	2,554,425	2,509,618	2,680,048	1,634,856	1,680,048	1,634,856	49.6	39.8	312,194	136,965	43.6
Capital	1911	5,685,121	2,737,204	2,807,204	2,393,062	2,673,372	2,632,302	1,449,775	1,395,172	1,449,775	44.9	39.2	328,811	143,311	43.6
Net Surplus	1909	5,487,959	2,481,840	2,444,928	2,244,928	2,746,357	2,428,798	1,491,573	2,428,798	1,491,573	48.0	32.2	309,649	101,895	32.8
	1909	5,307,129	2,348,110	2,099,801	2,099,801	2,202,884	2,020,225	1,439,123	1,439,123	901,006	62.7	39.3	280,562	117,374	40.3
American Dredgers, O., 1906	1913	333,129	59,782	273,307	48,402	97,463	97,555	97,555	1,027	35,983	48.9	38.5			
Capital	1912	300,000	47,115	275,008	41,975	81,048	81,048	66,130	16,739	32,701	21.7	40.4			
Net Surplus	1911	75,806	36,149	259,122	33,421	61,067	76,178	56,207	16,770	25,582	26.9	39.4			
American Union Fire, Pa., 1910	1913	1,302,498	635,126	507,372	547,709	1,028,701	1,074,524	999,456	573,492	413,896	55.7	40.2	150,141	35,687	23.3
Capital	1912	1,125,619	485,057	640,562	400,452	1,036,675	2,017,553	903,877	295,571	562,966	28.5	50.1	101,237	13,671	12.9
Net Surplus	1911	67,372	649,887	649,887	649,887										
Arizona Fire, (Phoenix) 1910	1913	366,383	43,284	323,048	41,897	54,678	167,298	60,223	30,029	30,189	54.9	55.2	3,101	8,347	25.5
Capital	1912	319,690	35,953	283,737	35,776	72,070	77,203	55,361	22,442	32,914	31.1	45.6	32,710		
Net Surplus	1911	283,395	4,849	280,510											
Austin Fire, Tex., 1902	1913	602,571	235,759	369,801	191,257	231,626	271,387	240,741	136,198	89,096	58.8	38.4	41,179	11,290	34.3
Capital	1912	582,353	223,078	360,117	171,259	229,859	283,906	258,705	139,015	86,704	64.8	37.9	32,761	7,030	21.4
Net Surplus	1911	514,191	204,437	310,055	166,927	228,325	266,606	253,884	135,877	95,505	42.9	40.9	28,805	7,030	24.4
	1910	488,06	188,719	300,187	159,472	222,105	256,698	251,854	138,570	83,284	61.3	40.9	23,108	14,489	62.7
Boston, 1873	1913	6,695,688	2,645,248	4,050,390	2,109,872	3,156,326	3,606,664	3,382,368	1,757,577	1,149,673	55.6	36.4			
Capital	1912	6,167,339	2,594,490	3,872,610	2,032,235	3,317,093	3,419,493	3,317,093	1,819,493	1,106,192	99.2	36.1			
Net Surplus	1911	6,470,283	2,489,263	3,981,020	1,945,098	3,077,006	3,228,556	3,058,873	1,629,110	1,127,374	92.9	36.6			
Caledonian-American	1913	253,114	15,010	238,104	12,616	15,635	25,516	22,845	9,321	5,228	59.6	33.4	9,029	1,755	19.2
Capital	1912	256,828	17,694	239,134	13,337	13,423	22,911	16,077	11,784	4,893	87.7	36.3	8,292	4,613	55.6
Net Surplus	1911	256,873	25,367	231,506	16,201	17,887	27,153	24,224	9,731	6,192	51.5	36.3	8,673	4,101	47.5
	1910	253,652	27,692	225,960	24,073	23,397	23,397	19,076	6,250	4,846	43.7	32.0	7,739	4,489	58.1
	1909	250,641	14,303	236,737	20,475	11,249	18,655	17,791	7,372	4,168	65.3	37.1	5,846	1,324	22.4

American Union is now in the hands of a receiver. The above sworn figures were juggled. Stockholders may recover nothing.

 In the **Coast Review's Pacific Fire Chart** you will find useful things not to be found in any other Fire Chart. Besides, in no other Chart are the Reinsurance Reserve and Premium Receipts in parallel columns. It is important to note the proportion which one bears to the other. If the proportion is too small, the surplus is falsified. Price 25 cts., Merchants Exchange, San Francisco.

LIABILITY

It pays to settle liability claims as quickly as possible—because they may grow and overspread the surplus.

A curious case, with a new legal point, is a suit in New York brought by a sprinkler company against a liability company. It appears that the injured employee offered to accept \$500 in full. This was refused at first and when accepted the offer was withdrawn. Finally the employee raised his demand to \$4,000. The insurance limit was \$5,000. Suit was brought and the jury gave a verdict for \$17,500. The liability company defended. It asked the sprinkling company to pay the difference between the large verdict and the \$5,000 insurance. The sprinkler company sued the liability company for this difference, and won in the supreme court. The special liability, we assume, was for failure to accept the employee's offer to settle for less than the amount of the insurance limit.

An Indiana switchman six years ago sued a railroad for the accidental loss of his legs. The jury awarded him \$30,000 damages. He was not responsible for the accident. The United States supreme court last week sustained the award, with \$5,000 interest. The court held that the operation of a switch engine is the operation of a train under the state statute.

FIRE

A law has just gone into effect in Wisconsin providing for the admission of interinsurance and Lloyds associations to the state. It is the intention of all the large and reputable interinsurance and Lloyds associations to come into the state under this law as regularly licensed companies. Under the new law these associations will pay their taxes regularly to the state the same as

other companies and persons insuring with these associations in the state will thus be relieved of any liability for taxes and will also be able to bring suits on their policies in the courts of the state and will have the benefit of supervision of their association by the insurance department.

Eleven interinsurance exchanges, covering both fire and casualty insurance, have made application for admission to do business in Kansas under the new law, passed last winter, legalizing interinsurance concerns. None have yet been authorized, but it is likely that all of them will be granted permission to transact business.

GENERAL

A doctor named Williams, and who is also a farmer, has trained a flock of geese to pick cotton on his plantation near Humboldt, Tennessee.

There are ten geese in the flock and each goose will pick on an average of seventy-five pounds of cotton a day, and the whole flock often gathers sufficient seed cotton in one day to make two large bales.

Williams first taught his geese to pick by placing grains of corn in the opened bolls in such a way that, in order to get the grain, they must pick out the cotton.

In that way the geese learned to look for grain in each boll and, though they were often disappointed, they would get a sufficient number of grains of corn in one hundred bolls to keep them enough encouraged to continue their search for corn.

But—

These geese will not continue their effort long after they find no corn.—Cottrell's.

And property-owners will not long insure with a company or agency that pays only 55 cents on the dollar.

Politician Sent to Penitentiary

Frederic A. Betts, former assistant secretary of the Metropolitan Life of New York, and at one time insurance commissioner of the state of Connecticut, who confessed to the theft of more than \$100,000 from agents of the Metropolitan Life throughout the country, was sentenced to not less than two years and not more than five years and one month in state's prison in the criminal term of the supreme court of New York.

The new life insurance company, of which B. F. Carroll, a former governor of Iowa, will be the head, will be known as the Provident Life of Iowa. It is expected to begin operations by July 1, with capital and surplus of \$100,000 each. Experience will be bought.

Marysville, Cal.--A \$300,000 gold dredger is to be built near Hammon-ton. It will have a steel hull.

Marine.—The new German s. s. Imperator had two premium-absorbing mishaps down the Elbe.

GOOD AGENTS WANTED

THE

West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, *President*
C. O. G. MILLER, *Vice-President*
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WILLIAM C. HAMMOND, *Secretary*

Health and Accident Insurance

KIMBALL C. ATWOOD, *President*
WILFRID C. POTTER, *Secretary*

The
Preferred
Accident Insurance
Co.
OF NEW YORK.

Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

FIRE	AUTOMOBILE
NIAGARA FIRE Insurance Company	
Assets, - \$6,981,389.16	Surplus to Policyholders, - \$3,664,392.31
DETROIT FIRE & MARINE Insurance Company	
Assets, - \$2,194,259.14	Surplus to Policyholders, - \$1,549,532.75
NIAGARA - DETROIT UNDERWRITERS	
Assets, - \$10,661,489.00	Surplus to Policyholders, - \$5,925,440.00
EDWIN PARRISH, Manager	
Pacific Coast Department 334 Pine St., - San Francisco	

MEN WHO CAN DO THE WORK

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

UNION MUTUAL LIFE Insurance Company

PORTLAND, MAINE.
FRED E. RICHARDS, President

Address ALBERT E. AWDE, Supt.,
 396 Congress St., Portland, Maine.

GEORGE E. HUNT, Manager
 Shreve Bldg., San Francisco

T. H. McAllis, Manager, Sherlock Bldg. Portland, Ore.
 P. B. Duren, Manager, Boston Block, Seattle, Wash.
 The Western States Agency Co., Manager, 225 Foster Building, Denver, Col.
 J. E. Evans, Manager, Vancouver, B. C.

The surplus liners and the mutuals and the interinsurers and the weak Kansas City companies are doing a land office business in poor old Mizzouri these days, while the solvent

National Union Fire Insurance Company

of Pittsburg, Pa.

Cash Capital, - - - - -	\$1,000,000.00
Surplus to Policyholders, - - - - -	1,545,227.00
Assets, - - - - -	4,136,638.00

METROPOLITAN DEPARTMENT SAN FRANCISCO

604 Merchants Exchange Building

DIXWELL DAVENPORT, E. C. DIETZ,
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FIELD REPRESENTATIVES:

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 604 Merchants Exchange Bldg, San Francisco
Alexander MacDougald, SOUTHERN CALIFORNIA
 P. O. Box 868, Los Angeles, Cal.

home companies are writing cautiously at safe rates. Mutuals from other states are preparing to burn themselves out of business by circularizing the people of the afflicted socialistic state. The politicians are organizing fire companies in the state, for if they can collect salaries the loss claimants can go to the devil.

The Arkansas Blue Sky law requires promoters to give bond where stock is paid for in installments.

SOME OF THE ADVANTAGES ENJOYED BY EQUITABLE REPRESENTATIVES

The backing of one of the largest and strongest financial institutions in the world.

A Participating Company.

A Prompt Paying Company. Of the 5,089 domestic death claims paid by the Equitable during 1911, 5,035 or nearly 99 per cent were paid within one day after receipt of "Proofs of Death."

A Company whose policies are standard contracts, drawn to conform to the Insurance laws of New York and other States.

A Company issuing every desirable form of insurance including Corporation Insurance, Income Insurance, Employe Insurance, Home Purchase Insurance, Joint Life Insurance and a large variety of Annuities.

A Company large and Strong enough to insure applicants for large amounts under a single policy.

A Company whose policyholders include the world's Captains of Industry whose identification with the Equitable is in itself an endorsement.

A Company granting insurance to sub-standard physical risks—bringing protection within the reach of applicants who might otherwise be deprived of it and saving business for the agent.

A Company which insures women at the same premium rate as men.

A Company whose canvassing documents are comprehensive, adequate and attractive.

A Company engaged in a broad "conservation of life," movement—aiming to lengthen the lives of its policyholders as well as insuring them.

A company that has withstood every conceivable test—wars, financial panics, epidemics, and lastly, a great fire
The Society has openings in practically every State for energetic agents of character and ability.

Address **H. L. ROSENFELD, Assistant to the President**

165 Broadway The Equitable Life Assurance Society of the United States New York

REPUBLIC UNDERWRITERS

POLICIES UNDERWRITTEN BY THE
AUSTIN FIRE INS. CO. and the COMMONWEALTH FIRE INS. CO.
of DALLAS, TEXAS

TOTAL ASSETS OVER \$1,174,970.99
SURPLUS TO POLICYHOLDERS OVER 738,629.96

LOCAL AGENTS WANTED

243 SANSOME STREET
SAN FRANCISCO, CAL.

ANDERSON & EDWARDS, Managers

CASUALTY

The omission of a paper from the annual report of the International Association of Casualty & Surety Underwriters caused the resignation of two prominent members.

Lloyd's Plate Glass, the Fidelity & Casualty, New York Plate Glass, Royal Indemnity and the Ocean have been appointed a committee of five to consider the question of dealing with the plate glass losses arising out of the recent floods in Ohio and Indiana, and aggregating from \$100,000 to \$125,000.

The new Amsterdam will write surety.

LIFE

The Life Underwriters Association of Oregon has adopted a new constitution, admitting four types of men, including Portland solicitors.

Illinois, as well as California and Missouri, etc., has its share of foolish and cinchy legislators, one of whom proposes that every company shall mail to every one of its policyholders a monthly report of receipts and disbursements—an utterly useless thing which would be done at the expense of the policyholders. Oh, if there were a fool-killer!

Agents Do Well who Represent the
SAN FRANCISCO LIFE INSURANCE COMPANY

**Experienced Life Insurance Men
 and Successful Business Men Direct its Affairs**

Business and Resources are Increasing. Interest Earnings are
 6.30 per cent. Low Mortality Experience Shows
 Good Class of Policyholders.

Home Office: 57 POST ST. San Francisco, Cal.

GERMANIA

**FIRE INSURANCE COMPANY,
 NEW YORK.**

ORGANIZED 1859.

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

HEAD OFFICE

Cor. William and Cedar Sts.

LIFE

The Pacific Mutual has written \$50,000 on the life of C. J. Laughren, Deming, N. M.

The Connecticut Mutual is trying to locate the beneficiaries of \$50,000 life insurance.

The Southern National will be merged with the Inter-Southern Life, under latter name.

The Mutual Life has recently written a number of policies on the lives of employees of a Philadelphia concern, in competition with other companies. The premiums are paid by the factory company.

THE

Standard Accident

Insurance Company

Of Detroit, Mich.

LEM W. BOWEN, President J. S. HEATON, Secy.

Cash Capital, \$ 500,000

Gross Assets, - 4,377,439

Claims Paid, - 16,500,000

Writes Accident and Sickness Insurance, Accident Policies Provide for—Unlimited Indemnity, Beneficiary Benefits, Accumulations, Optional Benefits, Hospital Indemnity, Combination Features, Surgeons' Fees Where no Claim for Disability is Made, Special Benefits for Sunstroke, Freezing, Etc.

Accident and Sickness Insurance for Women.
Contracts Practically Without Conditions.

CLARENCE F. BRIGGS.

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California, Oregon, Washington, Idaho, Nevada, Arizona, Utah, and the Hawaiian Islands.

Mills Bldg., San Francisco

H. H. HAIGHT, District Agent.

Contracts Unexcelled. Agents Everywhere.

HOME LIFE INSURANCE COMPANY OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—“*The Come'l & Fin'el Chron.*” 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,

256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department, 123 William St., New York, N. Y.

Liability

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Workmen's Compensation

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Personal Accident and Health

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Apply to New York office or to

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GENERAL

The inception period of sprinkler leakage insurance has passed. Owners are awakening to the fact that this is a legitimate and necessary indemnity. Companies are receiving many calls for this class of protection, and many requests for rates and other information in connection with the hazard.

In Wisconsin the fire and miscellaneous companies are still prohibited from imposing a time limitation on actions. The limitation by law is six years.

“Hold-up” insurance is the latest form of insurance in New York City. Citizens who fear being molested by hold-up men in that city can now protect themselves from loss by taking out this policy.

It is proposed to shut down a number of Oregon lumber mills because of the I. W. W. strike.

Have you noticed that the Stearns family have a stern look?

Dallas, Tex., has a 16-story building.

J. C. Lafarge, alias A. T. Fargor, had \$10,000 insurance in the Postal Life, \$3,000 in the Modern Woodmen, \$2,500 in the Artisans. He made his wife the beneficiary. Both are now under arrest for the crime of substitution.

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT :

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J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

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M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

FIRE

The State of Penn is withdrawing from all unprofitable states.

The Commercial Fire of Washington, D. C., has been admitted to Indiana.

A new Michigan law prohibits collection of policy fees.

Bunco Barker, attorney general and master of buncombe, says that the fire companies canceling policies are guilty of the most daring conspiracy ever known, and that he will cause the extradition of the managers and officers of the fire companies which decline to write business in Missouri under impossible conditions. The business men of St. Louis have begun a referendum petition for the suspension of the Orr anti-trust law of Missouri. Many companies are refusing to allow any indorsements to be made by their agents, as such indorsement may be considered a violation of the new law.

LIFE

President De Boer of the National Life is visiting the western agencies of the company.

The Phoenix Mutual Life, requires blood pressure tests of applicants applying for five thousand dollars or more insurance.

An Illinois legislator wants state life insurance, insuring every one at uniform rates. This benevolent insurance is to be operated on the assessment plan. Insurance is not compulsory. Many offices are created or would be by this new law, as politicians are to be paid four thousand dollar salary each, but the secretary, expected to know something and be able to make his own living, is to have a salary of \$7,500 per year. So it is evident the California legislature does not monopolize all of the freaks.

CALIFORNIA COMPANIES

CAPITAL NET SURPLUS YEAR ORGANIZED.	FINANCIAL CONDITION				INCOME			EXPENDITURES			RATIOS		PACIFIC DEPT.	
	GROSS FIRE ASSETS	LIABILI- TIES	SURPLUS AS TO POLICY- HOLDERS	REINSUR- ANCE RESERVE	NET PREMIUMS RECEIVED	TOTAL INCOME	TOTAL EXPEN- DITURES	LOSSES PAID	EX- PENSES	OSSES TO PREMIUMS	EXP'S TO PREMIUMS	PREMI- UMS RECEIVED	LOSSES PAID	LOSS RATIO
California San Francisco, 1905.	1,268,300	593,007	672,293	518,492	493,910	573,324	617,181	315,919	220,894	63.9	44.7	186,112	151,235	31.1
W. E. Doan, President.	702,748	617,717	82,031	619,831	756,015	823,855	976,743	276,836	557,113	29.8	47.6	488,916	127,311	26.9
E. W. McCarthy, Vice-Pres.	1,176,719	600,164	576,555	545,136	682,437	738,565	689,875	317,655	309,227	43.5	44.0	464,106	141,009	29.7
Geo. W. Brooks, Secretary	1,144,803	530,878	593,925	500,433	725,009	768,745	634,217	271,833	309,254	36.9	41.2	403,136	141,009	37.2
Capital \$100,000	577,229	401,376	175,863	383,030	334,917	410,079	139,838	210,246	201,216	29.1	43.9	378,177	141,009	37.2
Net surplus	551,488	244,789	189,987	222,855	459,033	576,247	246,184	141,000	154,200	26.1	39.6	412,768	147,887	36.0
1906	428,863	384,110	428,863	39,763	77,283	471,083	45,298	6,615	36,483	08.6	30.0	181,622	1,809,180	1016.0
Capital Sacramento, 1911	312,172	11,163	301,009	9,241	14,367	26,319	17,375	724	.....	.....	.....	11,367	724	.....
Capital Net surplus \$250,000 51,000	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
FIREMAN'S FUND San Francisco, 1863	9,268,924	4,664,194	4,604,731	3,812,954	5,472,766	5,850,323	5,197,012	2,403,206	2,042,084	53.0	37.3	1,364,514	714,725	52.4
Wm. J. Dutton, President.	8,649,592	4,668,131	4,081,461	3,714,708	5,487,674	5,819,139	5,264,716	2,047,481	2,057,227	36.3	37.1	1,312,635	661,803	43.7
B. Faymonville, Vice-Pres.	8,070,629	4,184,249	3,886,381	3,390,131	5,062,224	5,346,477	4,693,286	1,842,469	1,842,469	51.6	36.8	1,298,074	584,188	45.0
J. B. Levison, 2nd V. Pres.	7,431,402	3,916,545	3,511,857	3,180,006	4,645,112	4,948,403	4,092,416	1,536,735	1,730,185	47.5	37.2	1,200,191	563,612	41.9
Louis Weismann, Secret. Y.	6,432,212	2,809,639	2,406,922	2,070,932	4,207,207	4,464,083	4,082,486	1,396,800	1,536,355	36.1	36.4	1,095,841	429,114	39.2
Ill. P. Blanchard, Asst. Secs.	5,438,000	3,531,177	3,006,922	2,870,729	5,756,265	6,272,011	5,689,979	2,146,112	2,146,112	37.1	37.3	1,138,857	436,318	116.0
John S. French, Jr., M. Sec.	3,270,374	1,757,844	1,712,731	1,330,322	2,632,523	2,832,115	2,431,703	647,412	647,412	308.8	37.6	867,259	473,990	719.5
A. W. Follansbee, Jr., M. Sec.	2,204,436	3,514,408	3,600,028	3,031,730	3,921,480	4,179,787	3,515,775	1,281,914	1,281,914	33.7	32.7	1,111,369	473,990	42.6
Capital \$1,500,000	3,292,528	3,292,528	3,292,528	2,875,715	4,265,388	4,492,257	3,812,748	1,439,226	1,439,226	33.0	33.3	1,237,665	526,862	44.6
Net surplus	5,838,820	2,702,762	3,156,119	2,336,242	3,250,107	3,870,788	2,890,834	1,049,255	1,049,255	49.2	32.3	947,665	425,826	45.0
1906	5,292,588	2,401,866	2,800,722	2,081,154	3,120,584	3,925,246	2,752,379	1,560,144	1,012,255	50.8	32.3	886,639	588,588	43.8
Fireman's Fund S. F. 1906	4,214,454	2,924,044	1,290,410	2,481,730	4,686,885	5,065,685	1,640,062	931,194	708,868	19.9	14.7

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HEALTH
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SEATTLE
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Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.

\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over **\$500,000.00**

President, Hon. GEO. A. COX.
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General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets \$2,464,562.05
Liabilities in United States 1,446,243.42

Surplus **\$1,018,318.63**

PACIFIC COAST DEPARTMENT
129 LEIDESDORFF STREET - - - SAN FRANCISCO
W. L. W. MILLER, Manager.

Total Assets Represented over **\$20,000,000**

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Insurance Company
of Gothenburg

Agricultural
Insurance Company
Watertown, N. Y.

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22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

GENERAL

The Montana Live Stock & Casualty is preparing to begin business soon, with ex-Gov. Norris as president and Geo. B. Conway as secretary.

The advertisement of a reputable firm is just as advantageous to the reader as to the advertiser, for every good commodity is more profitable to the buyer than to the seller.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life Insurance, Permanent Disability Insurance, and Weekly Indemnity for loss of time.

For agency address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General Manager

Union Assurance Society, Ltd.

1714

OF LONDON

1913

Assets, \$6,000,000.00

CATTON, BELL & CO., General Agents

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Manager

JOHN E. COSGROVE,
Ass't Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS: - W. M. M. BATTERSON, Portland
E. W. RICHARDS, Los Angeles

I. M. FISHER, Jr., Spokane
F. A. STAHL, Sacramento

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets. - \$995,596

Capital. - \$300,000

Surplus. - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

332 Pine St.,

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
Occidental Life Insurance Co.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.



THE NEW YORK UNDERWRITERS' AGENCY

Cash Assets January 1, 1913.	- - - - -	\$26,492,318.21
Net Surplus January 1, 1913.	- - - - -	8,513,692.22
Surplus to Policyholders January 1, 1913.	- - - - -	10,518,692.22
Losses Paid. Over	- - - - -	158,607,806.03

H. R. MANN, Manager

F. M. BRANCH, H. R. MANN Jr., Assistant Managers

Pacific Department: 339-341 Sansome St., San Francisco

SPECIAL AGENTS AND ADJUSTERS — V. H. QUITZOW, A. C. ANDERSON, SAN FRANCISCO, CAL.; A. E. BAILEY, PORTLAND, OREGON; H. HARRY SMITH, LOS ANGELES, CAL.; H. B. HAGEN, SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

**BRITISH AMERICA ASSURANCE CO.
OF TORONTO**

INCORPORATED 1883

United States Assets	.....	\$1,746,624.71
Liabilities in United States	.....	1,045,080.89
Surplus	.....	\$701,543.82

PACIFIC COAST DEPARTMENT
129 Leidesdorff Street, San Francisco

W. L. W. MILLER, Manager

You can do business in Japan if you write your policies in Japanese and show your reserves thereon, as by your books, and deposit 60 percent thereof. The motto of the imperial authorities seems to be: the foreign insurance chaps must go.

Judge Porterfield of the circuit court of Kansas City recently decided that the amendment to the Missouri insurance law, which says that only citizens of Missouri may sue in its courts on insurance policies, was not constitutional.

GENERAL INSURANCE NOTES

FIRE

A bill has been introduced in the Georgia legislature to establish a system of state fire rating.

The Louisiana supreme court has held that the office of state fire marshal is unconstitutional in the city of New Orleans, thereby destroying the police power and jurisdiction of that office in that city.

The fire companies are losing money in Kentucky at present rates but the state rating board has just announced rates about 18 percent lower. The politicians, it seems certain, are determined to create more offices by bringing about state fire insurance.

The Missouri insurance backbone is being tested. The governor says his spinal column is rigid enough to knock out the "insurance trust." He doesn't care for the banks or the business men, who have no voting strength. Besides, he prefers state insurance and a larger number of officeholders. He advocates it with all the hardihood of ignorance and demagogy. Poor old St. Louis! The expected conflagration would ruin it.

The Western Bureau companies, as well as those of the Western Union, have suspended business in Missouri because of the new law. The foolish politicians in office are threatening to arrest the officers of all companies which decline to write unprofitable business in Missouri. Loans are being called in because of lack of insurance protection. All this trouble has grown out of the first state rating bureau advocated by organized locals. The Missouri locals, however, are standing loyally by the companies.

LIFE

The Canada Preferred has been incorporated.

California has \$165 life insurance per capita, and Colorado \$175.

A \$5,000 insurance contract was made on the life of a passenger on the S. S. Mauritania at sea, by a wireless message to the Commercial Union in London.

The Arizona Life of Phoenix reinsured its business in the Occidental of Los Angeles and has retired from business. The Arizona lasted a year and had about \$355,000 insurance in force.

The Travelers has adopted for the benefit of its employees an insurance and pension scheme, embodying plans that the official staff has had under consideration for some time, and when submitted to the board received unanimous approval. "It anticipates," says President S. C. Dunham, "what will become the modern and enlightened relation between employers and employees."

The salaried man who has completed three years of continuous service receives as extra compensation life insurance to the extent of \$500, with an additional \$100 for each year in excess of three years. The maximum amount of insurance in any case is \$2,500. Additional compensation has been authorized in the form of a pension to employees, who from old age or failure of health shall become disabled. No one will be eligible unless he shall have rendered five years' continuous service, and no pension shall exceed one-half the compensation received at the time of retirement, and none to exceed \$3,600 a year.

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912 \$280,438,555.87

Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.

President, **JOHN M. TAYLOR**, Hartford, Ct.



Los Angeles Fire Insurance Company

Los Angeles, Cal.

Cash Capital, (Fully Paid), - - \$200,000.00

Secure An Agency of This Home Company.

A Good Agency Company.

San Francisco Office, 334 California Street

CALIFORNIA NATIONAL LIFE Insurance Company

Safe .. Sound .. Conservative

HOME OFFICE

Timken Building

SAN DIEGO, CALIF.

THE THIRD CLASS LOCAL AGENT

WHAT would you think of a local agent who never talked about insurance? about its cost, income and profits, its commissions, taxes and expenses? He wouldn't know much about the business, would he?

Now an insurance journal is but authoritative talk about insurance, backed by libel liability.

Any local agent who doesn't read about insurance in an insurance journal is a Third Class Local Agent.

He is not up to date in news, in principles, in practices, in court decisions, in knowledge of the condition and prospects of the insurers.

He is like a cheap skate of a lawyer who never reads a court decision, or a bum doctor who never reads a medical journal.

This 3rd rate local agent saves a cent a day but he may cost his patron 5,000 when a loss is settled—and thereby lose friendship and \$500 commissions.

American Central INSURANCE COMPANY
of St. Louis Established 1853
Assets, \$5,549,279 Surplus to Policyholders, \$2,410,275 Losses Paid, \$26,531,745

St. Paul F. & M. INSURANCE COMPANY
of St. Paul, Minn. Established 1865
Assets, \$8,785,319 Surplus to Policyholders, \$3,351,370 Losses Paid, \$44,006,102

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS of St. Louis
Assets, \$5,549,279-
Surplus to Policyholders, 2,410,275

Minnesota UNDERWRITERS of St. Paul
Assets, \$8,785,319
Surplus to Policyholders, 3,351,370

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817

Of PHILADELPHIA

Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital, -	\$ 750,000.00	Cash Assets, -	\$9,091,141.00
Net Surplus, -	2,590,263.00	Policyholders Surplus,	3,340,263.00

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets, -	\$26,907,330.00	Surplus to Policyholders, -	\$12,185,135.00
Net Losses Paid in San Francisco in 1906.		\$5,064,178.03	

FRANK M. AVERY, Manager California, Arizona and Nevada

Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles

315 California Street, - - - San Francisco

FIRE

A Kentucky jury rendered a verdict against a company in a case where one of the stockholders looted his company's store, and set fire to it to cover up his theft. He was sent to the penitentiary. The court ruled that as the mutual company was insolvent at the time of the fire the creditors were the real parties in interest, and that therefore stockholders could not destroy their interests by arson.

MARINE

The Cunard Company has entered into mutual insurance for reducing the amount of uninsured risks on the large ships. A special resolution authorizes the company to become a member of any association, company or club which insures against losses and all dangerous risks on the mutual plan or otherwise. The resolution also authorizes the company to carry on a business of marine or marine accident insurance.

There are about 120,000 lawyers in the United States, and yet the membership of the American Bar Association is only 5,584, while the American Medical Association has more than 30,000 members.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES, \$2,826,707.00

Office: **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

Statements showing the standing of the

CALEDONIAN INSURANCE COMPANY		Of Edinburgh
The oldest Scottish Fire Office		(Organized 1805)
Capital	\$5,078,365 32	Assets, 9,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN INSURANCE COMPANY		Of New York
Capital . . . \$200,000 00	Cash Assets . . . \$253,114 00	Surplus to Policyholders . . . \$ 8,104 00

THE SCOTCH UNDERWRITERS	
Assets \$19,557,563 20	Net Surplus \$2,230,405 19

Pacific Department Office: 430 California Street, San Francisco

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

Our Directory of Pacific Coast Fieldmen

Special Agents are invited to send us corrections

Aetna

San Francisco—G. A. R. Heiser
G. E. Townsend, A. R. Muir
Los Angeles—H. E. O'Brien
Portland—J. A. Murphy
Spokane—G. S. Mortimer
Salt Lake—H. E. Mills

Atlas

Denver—Wm. Manning
Portland—R. A. Miller
San Francisco—L. H. Elster
A. E. Edstrom
Spokane—H. W. Sablin
Los Angeles—H. R. Jackson

Bertheau, Selbach & Bertheau

San Francisco—L. D. Schmalzel
K. C. V. Moderaft
Los Angeles—R. L. McCulloch

Edward Brown & Sons

San Francisco—Wm. H. Hill,
W. H. Gibbons, L. M. Hale,
W. B. Westlake
Los Angeles—Chas. Van Valkenburg
Seattle—W. P. Porep
Spokane—Chas. A. Wendler
Salt Lake—J. P. Hague

California

San Francisco—H. C. R. Buswell,
Supt. of Agencies
J. W. Warner
Los Angeles—Leigh H. Robins
Seattle—A. N. Lindsay, C. M. Ripe
Portland—B. A. Sifford

Catton, Bell & Co.

San Francisco—John E. Cosgrove,
Asst. Manager
Sacramento—F. A. Stahl
Spokane—L. N. Fisher, Jr.
Portland—W. M. Patterson
Los Angeles—Frederick F. Richards

Chapman & Nauman Co.

San Francisco—Edw. B. Fleming
Seattle—Jas. B. Trumbull

Christensen & Goodwin

San Francisco—R. De Launpe,
C. R. Parmentier, Geo. T. Gray,
C. A. Truitt, J. R. Mackay
Los Angeles—E. B. Flack
Seattle—Wm. F. Zwick
Spokane—Walter A. Frazier
Portland—Fred Tebben
Helena—John B. Pritsch
Boise—L. L. Dibble

Cobb-Drennan Co.

San Francisco—C. A. Berry

Commonwealth of N. Y.

Spokane—O. Unmack

Continental

San Francisco—F. P. Wilson
Sacramento—J. C. Wickler
Los Angeles—G. L. Medlar
Portland—W. A. Williams
Spokane—J. A. Carlsson
Denver—L. S. Day, Arthur E. White
W. O. Campbell
Seattle—G. L. A. Lutter

Curtis & Gordon

San Francisco—
Clarence L. Greenwald
Portland—E. C. Morgan

Connecticut

San Francisco—Guy Francis
J. A. Von Tagen
Los Angeles—L. P. Stephens
Portland—James S. Reed
Salt Lake—W. S. Ferris

Dickson & Thornton

Los Angeles—A. A. Allen

Fireman's Fund

San Francisco—R. D. Hunter
Samuel Simmen, John J. Ham-
mond, Kenneth Brown,
J. A. E. Webber, Bayard E. Nourse
Mirah B. Sweet
Los Angeles—Weldon D. Whelan,
Chester A. Swift
Portland—Chas. R. Thompson
Chas. R. Stone, H. B. Tickner
Seattle—Frank L. Emerick
Spokane—Jas. R. Quick
Denver—F. G. White, W. P. Coffey
Frederick R. Langgan
S. E. Norton
Dallas—C. C. Wright, J. H. Snell
J. C. Stephens
Helena, Montana—C. D. French

Fire Association and Philadel- phia Underwriters

Portland—F. J. Alex Mayer
Helena—Percy B. Churchill
San Francisco—Thos. F. O'Grady
Charles L. Barsotti
Fred C. Cusheon
Los Angeles—Geo. F. Staniford

Fidelity-Phenix of New York

Portland—A. P. Lange
Spokane—H. F. Mills
Los Angeles—F. E. Alderson

George O. Hoadley

San Francisco—A. J. Cartwright
Los Angeles—L. L. Gibson
Portland—A. H. Jackson
Walla Walla—F. J. Root

Hanford & De Veuve—Seattle

Seattle—B. D. Smalley, H. A. Canfield
Spokane—A. L. Merritt

Home, New York

San Francisco—Harry L. Roff,
J. J. Sheahan, H. W. Wagent
Chas. I. Magill
Los Angeles—Chas. Quitzow
James S. Strydom
Portland—J. D. Coleman,
John C. Fox
Salt Lake—Junius Young,
Lawrence C. Young

Ins. Co. of North America & Alliance

San Francisco—Geo. O. Smith
L. C. Holloway
Portland—Bernard Froiseth
Los Angeles—Wm. F. Kuhl
Spokane—M. H. Reeves
Billings, Mont.—Gilman L. Camp

Law Union & Rock

San Francisco—J. Percy Carroll
E. M. Brodusstein
Portland—Noah L. Nelson

Liverpool & London & Globe

San Francisco—R. H. Rountree,
Harrison Houseworth,
Chester S. Myrick, Geo. J. James
Los Angeles—R. G. Brush,
D. B. Edwards
Portland—W. H. Raymond
Walla Walla—F. E. Atkins

London & Lancashire and Orient

San Francisco—Sam B. Stoy,
W. B. Hopkins, G. T. Richmond
Sacramento—Wm. W. Gilmore
Los Angeles—J. P. Yates
Portland—G. L. Goodell
Denver—Nicholas Gardner
Seattle—David H. Parry
Butte—N. W. Clayton, Jr.

London

San Francisco—Wm. H. Hackett
Supt. of Agencies
Phillip R. Weimann, Ben L.
Penfield
Los Angeles—C. W. Rohrer
Portland—Rod E. Smith
Seattle—P. J. Perry
Spokane—J. E. Johnsen
Denver—T. S. Heath

Los Angeles Fire Ins. Co.

Los Angeles—L. H. Wood
Seattle—Frank B. Benson

E. T. Niebling

San Francisco—F. J. H. Manning,
Geo. F. Heuer
Los Angeles—Walter H. Young
Portland—H. E. Parkhurst
Spokane—Geo. W. Swan
Salt Lake—Arthur Mack

New York Underwriters Agency

San Francisco—V. H. Quitzow,
A. C. Anderson
Los Angeles—H. Harry Smith
Seattle—A. E. Bailey
Spokane—H. B. Hagen

New Zealand

San Francisco—D. A. Parker
Los Angeles—C. P. Lyndall
Portland—W. G. Fortmann
G. A. DeGroff
Denver—Fred Williams

North British and Mercantile

Seattle—E. J. Young
Spokane—P. W. Gedney
Los Angeles—Chas. Harris
San Francisco—F. J. Schoeneman
C. F. Milliman, G. W. Dearborn
Denver—E. C. Willey
Portland—H. E. Smith

Northern

San Francisco—L. C. Holloway
Los Angeles—G. Mueller
Portland—D. Ross Atkinson
Seattle—Geo. F. Gomez
Helena—E. C. Fotheringham

Northwestern National

Portland—G. F. Nickerson
Seattle—A. M. Jones
Los Angeles—W. E. Labry
Oakland—Jos. H. Cote
H. L. Clark

National Union

San Francisco—R. R. Roper
Seattle—Henry G. Green
Los Angeles—William M. Stodghill

Norwich Union

San Francisco—F. C. Staniford
William L. Wallace
Portland—A. W. Giesy, H. W. Randall

A. C. Olds

San Francisco—Paul St. John
Los Angeles—Warren Campbell
Sacramento—E. E. Panabaker
Portland—Chas. A. Colvin

Palache & Hewitt

San Francisco—Geo. E. Devine
M. E. Spaulding, R. E. Dollard
J. Henry Wolbold
Wm. S. Dennis, L. H. Earle
Los Angeles—P. H. Griffith
E. E. Price
Portland—J. J. Dennis
Spokane—Neil Stewart
Salt Lake—Chas. E. Miller

Pennsylvania

San Francisco—S. P. Mesiek,
superintendent of agencies
F. A. Lathrop
Oakland—F. J. Agnew
Los Angeles—A. C. McConnell
Portland—Chas. V. McCarthy

Phoenix, London

San Francisco—Otho N. Hall
Geo. F. Roberts, Munro English
Portland—Edwin C. F. Knowles
McCrea Stephenson
Spokane—J. Robb Gay
Los Angeles—Victor L. McNeil

E. E. Potter & Sons

San Francisco—E. G. Potter,
Supt of Agencies; H. G. Davis
Los Angeles—C. H. Gatchel
Seattle—C. R. Kerns

Royal and Queen

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R. S. Folger
Fresno—E. P. Eldred
Los Angeles—J. K. Urmston
F. J. Perry
Sacramento—D. L. Stewart
Portland—H. R. Burke
Seattle—Matt B. Evans
Salt Lake—J. H. Banks
Salem, Or.—C. D. Gabrielson
Spokane.—J. T. O'Brien

Springfield

San Francisco—Geo. C. Coddling
Frank H. Young
Los Angeles—J. E. Crandall
Portland—J. F. R. Webber
Seattle—C. H. Anderson
Salt Lake—L. B. Rogers

**Scottish Union & National and
State Assurance**

San Francisco—J. H. Fuller
Rollin M. Kelley
Los Angeles—Chas. F. E. Niemann
Tacoma—Fred W. Gaston
Denver—Paul B. Sommers
H. C. Edmundson

T. J. A. Tiedemann

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superintendent of agents;
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Douglas Parker
Los Angeles—A. C. Wright
E. R. Holland
Sacramento—E. F. Hewitt
Portland—W. Harvey Wells
Seattle—W. T. Burwell
Spokane—F. O. Vincent
Salt Lake City—Arthur A. Ferns

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Los Angeles—J. J. Ashby

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San Francisco—W. W. Cleveland,
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A. Paul, J. N. Waters, P. W. Lord
Los Angeles—Edward A. Rowe
James F. Boylan
Portland—E. R. Thompson
Seattle—Bruce Kaltz
Spokane—W. S. Gill, C. B. Harris
Denver—C. S. Hill, H. B. Schroeter

Western and British America

Seattle—H. P. Hildreth
San Francisco—Harold M. Dinsmore

Appraisers

San Francisco—J. P. Treanor
Portland—Wm. B. Honeyman

FIRE

The Missouri locals, conscience smitten, are "standing by" the companies in their refusal to write Missouri business under the new insurance-bet-damned law.

Louis S. Amonson, president and organizer of the People's National, is dead of heart failure. He was a native of Norway. Recently he had little to do with the active management of the company. Amonson had collaborated with Macfarlane in the preparation of the arson articles in *Colliers' Weekly*.

Texas—The legislature swung hard and knocked out the iron-safe clause. No breach of warranty makes a policy void unless such breach or violation contributes to bring about the destruction of the property.

Texas loss ratio, 86; expense and loss ratios on business in the state, \$1.26

for even \$1.00 of premium; rates are made by the state.

The Munich Reinsurance Company is the defendant in a suit for \$50,000 brought by Fire Commissioner Johnson, who alleges this amount to be due on account of non-payment of the 2 percent tax for the benefit of the fire department's pension fund.

The Twin City Fire Insurance Company, licensed to do business in Minnesota, in April, 1912, has adopted an aggressive attitude. Fifteen hundred agents have already allied themselves with the company.

Eleven members of the St. Louis board of education were fined \$300 each for failure to equip three school buildings with fire escapes.

The American of Newark has made arrangements to return to Arkansas, from which state it withdrew in 1910.

ONE HUNDRED YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH
(which are but a small part of total fire assets of the Co.) **\$9,139,794.00**

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

JOHN McC. ANDERSON, Resident Secretary, Local Dept.
234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON OREGON, MONTANA.

P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH WYOMING.

CHAS HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA, and ARIZONA.

G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, SAN FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$—— in premiums." "My business is chiefly ——." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye They will pay you a handsome commission, too.

Scottish Union and National

**Insurance Company
Of Great Britain.**

Organized 1824,

North American Branch:

Hartford, Conn.

JAMES H. BREWSTER

MANAGER.

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash., Oregon, Washington, British Columbia.

PAUL B. SOMMERS, State Agent,

H. C. EDMUNDSON, Special Agent,
706 Gas and Electric Bldg., Denver, Colo.,
Colorado, Wyoming, New Mexico, Utah,
Idaho, Montana.

H. W. FORES, San Francisco, Cal.,
General Agent, California, Nevada, Arizona.

SAN FRANCISCO OFFICE:

409 California Street

The Northern Assurance Company Limited

OF LONDON

Established 1836

Accumulated Funds, \$39,436,873.00
 Invested in the United States, 5,303,005.00

FRED C. H. ROBINS, Manager Metropolitan District
 330 California Street, - - - - - San Francisco
 (For San Francisco and Bay Counties)

PACIFIC COAST DEPARTMENT:

CHICAGO, ILLINOIS,
 G. H. LERMIT, *Manager*
 J. C. CORBET, *Ass't Manager*

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 LOWREY C. HOLLOWAY, San Francisco, Cal.
 GEO. F. GUERRAZ, Seattle, Wash.
 G. MUELLER, Los Angeles, Cal.
 E. C. FOTHERINGHAM, Butte, Mont.

Pacific Surety Company

C. H. CRAWFORD,
 PRESIDENT
 Established - 1885

BONDS
 ACCIDENT
 PLATE GLASS
 Employers Liability
 INSURANCE

Home Office
 FIRST NATIONAL BANK BUILDING
 San Francisco

The London Assurance Corporation

OF LONDON

Cash Assets, \$23,044,775.00

The London Underwriters

SPECIAL AGENTS - C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
 T. S. HEATH, Denver; J. E. JOHNSEN, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco.

A. W. THORNTON, *Manager*
 J. M. MENDELL, *Assistant Manager*

G. E. GOGGIN, *City Manager*

WM. HACKETT, *Supt. of Agents*

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

The leader of the New York "auto bandit gang," now under arrest, confesses that the crowd has conducted twenty hold-ups, each of which was carefully rehearsed. One interesting feature is that in several instances the

chaffeurs of wealthy men used their employers' cars for the work and "stood in on the split up." Cases are also reported where the car was burned or demolished and the insurance collected.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agen

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	- - -	\$ 250,000 00
Cash Assets (Gold)	- - -	2,096,766 26
Net Surplus over Capital (Gold)		1,357,229 46
On deposit in the United States, (registered U. S. bonds)	-	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents
Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco
{Babcock Building}

PHOENIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building
(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employes. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.
Royal Insurance Building

GENERAL

Nothing is original with creation, for creation is eternal and anything eternal can have no beginning as well as no end, otherwise it is definite and limited in its existence.

We are like small boys playing with blocks and the blocks are the impressions of what we have seen and heard.

Some of us have a few blocks and others have more than they can handle, which is a good deal worse than a few.

Some of us play with small blocks, others with large.

For instance, the other day in New York, a system of drug stores advertised a pair of scissors for 39 cents that could have been bought in most any hardware or general store in this country for 25 cents. This drug store system sold four thousand pairs of these scissors in one day. They were scissors that would wholesale for about \$21 a gross, or something over 14 cents a pair. The advertising they used was estimated to cost \$200. In other words they were able to clear up \$650 on this bargain by investing \$200; they were able to sell in one day for 39 cents that which they would in time have sold for 25 cents. This "bargain" cost that part of the public who bought the scissors just \$560. At the rate knowledge travels these days, it does not take the public long to at least become suspicious of bargains, and the fact that we really pay a pretty good price for the pleasure of thinking in our cupidity that we are getting something for nothing, and it is beginning to be something more than a mere theory in the public mind. These merchants who put out these bargains do not see that the amount they gain in price is the price they pay for ill-will.

We all remember the stores of a generation ago around the railway

station district of large cities, how some of these, and comparatively large stores, too, had a case of bargains out on the sidewalk in which gloves, shirts, and various small items were conspicuously priced so low as to attract the attention of passersby to the inside of the store where some of the elements of hypnotism would be applied. And, by the way, it is a good thing that these merchants did not know more about hypnotism, or even some of us today for that matter; for we would abuse the power rather than use it.—Cottrell's Magazine.

Ready-made clothing was "invented" and produced in New York first, in 1831, by ex-Mayor George Opdyke. To-day, by the "task" system, a good suit of man's clothes is sold by the machine-tailor to the retailer for \$7.50 and by the latter sold for from \$13 to \$15. Retail clothiers' profits are from 75 to 100 percent of the cost plus freight.

A Michigan mutual tornado company recently suffered wind storm losses equal to over three years premiums.

The Fidelity-Phenix has \$408,000 U. S. Panama Canal loan bonds; \$125,550 Southern Pacific bonds; \$265,000 Southern Pacific Co stock; \$463,312 Great Northern stock; \$48,400 Northern Pacific stock. This company has \$2,500,000 capital and \$4,599,670 net surplus. In a circular issued by it this statement recently made by a leading American economist is quoted:

"It is always better to pay a little more money in order to do business only with men of character. The others will get the best of you sooner or later."

A new law in New York permits the insurance of horses against theft, and the insurance against loss by forgery.

Wisconsin proposes to compel all insurance agents to pass the civil service qualifications before getting a license to operate in that state.

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY-THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

- Manager Pacific Department

Alaska Commercial Building - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by the State of Massachusetts

Incorporated 1849

Total Assets	\$ 10,407,847 65
Total Liabilities	7,537,140 04
Net Surplus	2,870,707 61

SURPLUS TO POLICYHOLDERS, \$ 4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by the State of New Jersey

Incorporated 1811

Total Assets	\$ 1,870,656 00
Total Liabilities	1,010,774 70
Net Surplus	859,881 30

SURPLUS TO POLICYHOLDERS, \$ 1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

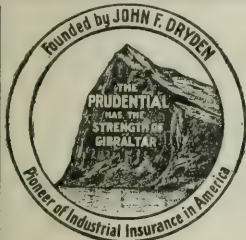
ANNUAL STATEMENT, DECEMBER 31, 1912

Assets	\$11,148,389 89
Capital and Surplus	3,281,284 04
Losses Paid to Dec. 31, 1912	40,596,818 01

This company issues contracts as follows :

Fidelity Bonds; Surety Bonds; Burglary, Larceny, and Theft; Plate Glass; Steam-Boiler; Fly-Wheel; Employers', Public, Teams, Automobile, Physicians', Druggists', Elevator, and General Liability; Accident; Health; Disability; Workmen's Collective; Workmen's Compensation

Pacific Coast Department: { California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange
San Francisco. Washington and Oregon—SEELEY & CO., 111 S. 10th
St., Tacoma; Coleman Bldg, Seattle; Board of Trade Bldg, Portland.



Second in the World

The Prudential, youngest of the large companies in the Life Insurance field, ranks second among ALL companies of the world in amount of Insurance in Force,

Over \$2,211,000,000

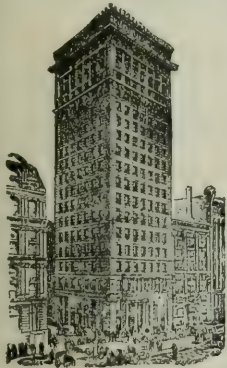
Write us about an Agency

THE PRUDENTIAL INSURANCE CO. OF AMERICA

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



Prevent Losses

through dishonesty. Our special short form Insurance

Bond guarantees absolute protection.

American Surety Company OF NEW YORK

The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.

JAMES K. LYNCH, RESIDENT VICE-PRES.

CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

Brewster Cameron, Jr., Acting Mgr. for Northern California and Nevada
Merchants National Bank Bldg. San Francisco. Telephone Kearney 1099

The Continental Casualty Company of Chicago, on account of its unsatisfactory claim settlements, contemplates giving up its foreign agency business for industrial insurance.

The Colorado legislature has refused to eliminate the provision from the insurance code forbidding life insurance of children less than fifteen years old.

You Know a Few Agents
who are not Coast Review readers --
and who ought to be -- in fact who
would be if they had their attention
called to the practical value of this

41 - year old Insurance Journal

Send us their names and we will
hypnotize them.

From each new subscriber secured
from your list we will allow you a
good credit on your own renewal
subscription.

THE COAST REVIEW
Merchants Exchange
San Francisco

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

The first office to commence paying losses after the conflagration.

The first office to commence paying in full the face of the policies, without discount, for cash or exchange.

The only general agency that remained in San Francisco where its patrons suffered.

The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.

The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

Get the Best Insurance While You Are About It It Costs No More

January 1, 1913

OLD AND
TRIED

GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,312,945 00
UNDIVIDED PROFITS	2,486,705 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,848,154 00
UNDIVIDED PROFITS	896,217 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,492,354 00
UNDIVIDED PROFITS	439,752 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal

FireAutomobileMarine**COMMERCIAL UNION**

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$ 14,750,000
Paid-Up Capital	1,475,000
Total Cash Assets, Gold	56,579,048
Total Liabilities, including re-insurance reserve	46,019,127
Cash Surplus to Policyholders	10,559,921
Total Amount of Claims Paid	175,573,348

Assets in United States Held by Trustees, \$7,643,751ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE**Security Building, 343 Sansome St., San Francisco****E. T. NIEBLING, Manager****H. L. A. BATES, Assistant Manager****DID YOU GET ONE?****THE COAST REVIEW'S****PACIFIC FIRE CHART 1913****UP to Date, UP to Standard, UP to Reputation****5 YEARS' FIGURES**

Capital, Net Surplus, Policyholders' Surplus, Assets, Liabilities, Reinsurance Reserve, Net Premiums, Net Losses, Expenses, Loss Ratio, Expense Ratio, Income and Disbursements, Coast Premiums and Losses and Loss Ratio, San Francisco Premiums, Business by Agencies and Departments, Pacific West Business by States and by Companies, Principal Court Decisions of a Year, Resume of Coast Business.

Tables of Short Rates

STABILITY AND STRENGTH

RESOURCES OVER \$52,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

PACIFIC DEPARTMENT

WILLARD O. WAYMAN---CARL A. HENRY

JOINT GENERAL AGENTS

FRANK E. STONE

MAXWELL H. THOMSON

ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets

San Francisco, Calif.

Branch Offices: Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00

Assets, \$9,268,924.08

WILLIAM J. DUTTON

PRESIDENT

BERNARD FAYMONVILLE

VICE-PRESIDENT

LOUIS WEINMANN

SECRETARY

A. W. FOLLANSBEE, Jr.

MARINE SECRETARY

J. B. LEVISON

SECOND VICE-PRESIDENT

H. P. BLANCHARD

ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

T. M. GARDINER

TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building

Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 84
NO.

JUNE

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast INSURANCE Review

PROTECTION

An Insurance Journal and Directory

IN ITS FORTY-SECOND YEAR

San Francisco: Merchants Exchange Building

The Only INSURANCE Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

California Anti-Rebate Bill Vetoed
Death of President of Germania Fire
Board and Non-Board Business on the Coast
5 Pages of Court Decisions
Coast Fire Business by States
American Marine Business
Coast Fire Business by Agencies
American Life Grand Totals
National Supreme Court Bankruptcy Decision
20 Years Ago Happenings
Some American Liability Figures
Copy of a Safety-Fund Law
Washington Insurance Department Ruling
Companies' Statement Reviews
Home of New York to Have \$6,000,000 Capital
Fair Fire Protection

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets
\$58,371,415.00

Assets in
\$13,739,218

LIVERPOOL & LONDON & GLOBE
INSURANCE CO., LTD.

NEW YORK OFFICE, 80 WILLIAM STREET.
J. H. W. EATON, Manager
G. W. HOYT, Deputy Manager
J. B. KREMER, Ass't Deputy Manager
T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE,
DISTRICT OF COLUMBIA, VIRGINIA,
WEST VIRGINIA, NORTH CAROLINA,
SOUTH CAROLINA, OHIO,
INDIANA, KENTUCKY,
TENNESSEE.

NEW ORLEANS OFFICE, COR. CAROLINE ST. & COMMON STS.
CLARENCE F. LOW, Manager
J. G. PEPPER, Ass't. Mgr
THOS. H. ANDERSON, Deputy Ass't. Mgr

MISSISSIPPI, ALABAMA, ARIZONA, IDAHO,
OREGON, WASHINGTON, ARIZONA, CALIFORNIA, NEVADA, ALASKA,
FLORIDA, ARKANSAS, TEXAS, GEORGIA.

ILLINOIS,
MICHIGAN, IOWA,
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA,
MONTANA, UTAH, WYOMING,
NEW MEXICO.

CHICAGO OFFICE, INSURANCE EXCHANGE.
W. S. WARREN, Manager.
GEO. H. MOORE, Assistant Manager
HUGH R. LOUDON, Deputy Ass't. Mgr

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
JOHN W. GUNN, Manager
R. P. FABJ, Ass't Manager

Established 1836

Entered U. S.

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05

Surplus \$ 4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

This showing Excess of EXPENDITURE in the two years of \$2,710,650
And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,100.

LOSSES. The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852

Temporarily at

514 California St., San Francisco

Special Agents:

JOHN W. GUNN, Manager

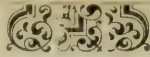
R. P. FABJ, Assistant Manager

R. G. BRUSH
W. H. RAYMOND

R. H. ROUNTREE
CHESTER S. MYRICK

HARRISON HOUSEWORTH
F. E. ATKINS

D. B. EDWARD
GEO. J.



Conflagration-Proof Insurance



Losses paid to date, - - over \$164,000,000

PACIFIC DEPARTMENT

GERMAN AMERICAN PHOENIX
 OF HARTFORD

GERMAN ALLIANCE. PROTECTOR
 UNDERWRITERS



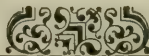
EQUITABLE FIRE & MARINE INSURANCE CO.

GEO. H. TYSON GENERAL AGENT.
HERBERT FOLGER, ASST. GENL. AGENT
SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



SOLICITING INSURANCE FOR
THE MUTUAL LIFE INSURANCE CO. OF NEW YORK
 IS ONE OF THE MOST LUCRATIVE OF CALLINGS

Are you in the business to stay? Choose a Company good enough for you to stay WITH, and strong enough to stay with YOU, during your whole career;

The oldest Company in America, which began business seventy years ago, is bigger, better and stronger now than ever before, and will be still bigger, better and stronger seventy years hence;

Not the company which YOU must introduce, but the Company which introduces YOU wherever you go;

The Company whose better selling qualities earn most for you in the way of commissions;

The company which furnishes the insured the largest protection for his money.

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street, - - - - - New York, N. Y.

MISCELLANEOUS MATTERS

HOTEL-KEEPERS are authorized to receive subscriptions for this journal.

Failures in the United States in 1912 were some 15,500 in number, with \$202,500,000 liabilities. These are increases of about 20 percent over 1911. The number of failures exceeded those in 1893, when 300 banks failed.

The disbursements of the United States government are now \$655,000,000 yearly, or \$6.68 per capita. The annual destruction of property by fire averages \$3.00 per capita. Fire protection and insurance loss distribution costs average \$1.50 per capita. Money per capita is \$35.21. Nearly two-fifths (\$153,590,000) of the national government expenditures are for pensions. Army, navy and pensions to old soldiers absorb \$438,000,000 of the government's total \$655,000,000 yearly expenditures. This is two-thirds for war and one-third

for civil and miscellaneous expenses and interest on the public debt.

Nearly half the gold product of California continues to be from placer mines. California leads with \$20,000,000 yearly, and Colorado is a near second. All the states and territories combined average \$9,000,000 gold mined monthly.

For every dollar of gold mined in the United States the fire insurance companies pay \$1.50 fire losses.

Australia has the highest money circulation per capita—\$42.68.

For the first time since the organization, in 1896, of the National Fire Protection Association its president is not identified with the fire insurance business. This innovation signifies the intent to broaden the influence of the association. The new president is an architect of prominence in his profession.

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00
Net Surplus, 295,338 00
Total Assets, 1,278,845 00

OFFICERS

W. E. DEAN, President
 GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
 GEO. L. PAYNE, Treasurer

**HOME OFFICE: Company's Building, 550-558 Sacramento St.
 SAN FRANCISCO, CAL.**

Special Agents and Adjusters

J. W. WARNER, San Francisco
 A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

**Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
 and at the rate of "Dollar for Dollar."**

Western Department, Chicago, HENRY J. WOESSNER, Gen'l Agt.
 Eastern Department, Philadelphia, FRANK C. STURTEVANT, Manager.
 Middle East Department, Pittsburg, LOGUE BROS. & CO., Gen'l Agts.



LTD.

OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

**PACIFIC DEPARTMENT - - - 332 PINE ST.
 SAN FRANCISCO, CAL.**

JAMES WYPER, - - Manager

**THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM
AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES**

Pacific Coast Casualty Co.

Of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00

Assets, : : 1,231,513 10

E. F. GREEN : President
CARL G. BROWN Vice-President
H. A. BAUER Secretary

DIRECTORS.

Henry E. Bothin	E. F. Green
Edward L. Brayton	Carl G. Brown
Marshall A. Frank	J. H. Bennett
Allen I. Kittle	Geo. W. Turner
F. P. Deering	H. W. Goodall
W. P. Johnson	

Head Office: Merchants Exchange Bldg.
San Francisco

CASUALTY INSURANCE NOTES

H. E. Doyle has been appointed manager of the insurance department of D. W. Hobson & Company, Sacramento, Cal., and will take charge of the casualty department of the Globe.

The third annual convention of the International Association of Casualty and Surety Underwriters will be held July 8th to 11th, inclusive, at Quebec, Canada. Reasonable rates have been secured at the hotel on the bluff.

In the United Kingdom in 1912 there were 1,011 railway fatalities and 8,700 injuries.

LIFE INSURANCE NOTES

The bill passed by the New York legislature to enable a life agent to divide his commission with any other licensed agents who had assisted him in securing the business, has been vetoed by the governor of that state.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-three Years for

Low Rate of Mortality

Economy of Management

Prompt Payment of Claims

GROSS ASSETS, OVER \$19,500,000

L. B. COLLINS, Gen'l Agent, SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Hellman Building) LOS ANGELES, Cal.



The
Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

**SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop**

COAST REVIEW POSTERETTE

**Tho Always at School
The World 's a Fool**

That is to Say, Anyway,
The Uninsured Part

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company
his leader. That company is certain to
be the Continental = = = = =

HENRY EVANS, President

Pacific Coast Representatives:

A. G. NASON & CO., San Francisco

F. P. WILSON, San Francisco

G. L. McINTIRE, Los Angeles

W. A. WILLIAMS, Portland

G. L. A. LAUER, Seattle

J. A. CARLSON, Spokane, Wash.

J. C. WICKLER, Sacramento

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



FOUNDED 1806

Funds Exceed - - \$ 46,000,000

Annual Income Exceeds 6,500,000

Claims Paid Over - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON—Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BRODENSTEIN - California, Nevada, Colorado and Utah.

APPLICATIONS FOR AGENCIES INVITED

FIRE INSURANCE NOTES

The Wisconsin fire insurance state rating bill was defeated in the assembly, by a vote of 57 to 35 in favor of indefinite postponement, which means that the measure is killed. The bill provided that final authority for determining fire insurance rates should rest with the insurance commissioner.

A joint resolution has been introduced in the Pennsylvania legislature for a legislative commission to investigate the fire business in that state.

The address of President George W. Babb of the National Board of Fire Underwriters, at the 47th annual meeting of that body, compiles the results of the fire insurance business of the country as to underwriting profits. For 1912 the companies received a profit of 2.52 percent on the capital invested. An average of \$227,375,444 of liability was assumed for an average profit of \$42,320. The total of capital

and surplus employed by the 183 companies was \$286,783,063.

No other business in the world employs so much capital, assumes such tremendous liability and supplies so much stability to the business world for such an infinitesimal profit.

For the past ten years the companies sustained an underwriting loss of 13-100 of 1 percent. With the education recommended by President Babb and proposed to be taken up at once, it is hoped that legislators will relieve the companies of some of the oppressive burdens of taxation now resting upon them.

The bill in the Pennsylvania legislature to prohibit fire insurance companies from holding membership in any organization for the fixing and maintaining of rates, and providing penalties for its violation, has been stricken from the calendar of the house of representatives in which it was introduced, by unanimous consent.

ESTABLISHED IN 1845

Prussian National

Insurance Company

(OF GERMANY)

CAPITAL, . . . \$2,250,000.00

ASSETS, . . . 5,130,876.07

United States Branch

171 LaSalle Street, Chicago

HAROLD W. LETTON,

General Manager

JOHN A. PRINSEN, General Agent

315 South Broadway

LOS ANGELES, CAL.

The
Metropolitan
Life
Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

SAN FRANCISCO

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Net Surplus
\$8,238,392.50

Surplus as to
Policyholders
\$13,238,392.50



Cash Assets Now
\$23,051,531.36

Losses Paid
in
94 Years

\$132,981,553.48

All Losses Paid in Cash Without Discount Immediately Upon Adjustment

W. H. BREEDING, General Agent

E. S. LIVINGSTON, Asst. General Agent

**Main Office, 301 California Street
- SAN FRANCISCO**

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR

This Company has absolutely no connection with any other corporation bearing the name of AETNA.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21

Surplus to Policyholders 10,513,692 22

Losses Paid, Over . . . 158,607,806 00

PALACHE & HEWITT, General Agents

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

J. J. DENNIS

P. H. GRIFFITH

WILLIAM S. DENNIS

NEIL STEWART

C. E. MILLER

M. E. SPAULDING

J. HENRY WOLBOLD

GEO. E. DEVINE

R. E. DOLLARD

L. H. EARLE

June, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 42d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 84

San Francisco, California, U. S. A.

Number Six

Entered at San Francisco Postoffice as second-class mail matter

There seems to be balking in the Balkans.

‡‡

The want of money is at the root of all evil.

‡‡

Insurance secrecy makes for public hostility.

‡‡

The life insurance policy solves the currency problem for the widow.

‡‡

Seek not the largest but the best.

‡‡

Under the Oklahoma law guaranteeing dividends the solvent banks can't make enough money to pay dividends. All the profits are required to pay the depositors of the wild-cat banks—which pay dividends while they last. H-s-t! lest it occur to some legislator to make the solvent fire companies pay the fire losses of busted ones.

‡‡

The astronomical day and the fire insurance day begin at noon. The civil day begins at the preceding midnight.

‡‡

Standard time is railroad time. By agreement the U. S. A. is divided into four time sections, each fifteen degrees of longitude, equivalent to one hour. At Denver, Mountain time, it is 10 o'clock

when at San Francisco, Pacific time, it is 12 o'clock.

‡‡

Our national debt (now \$29.66 per capita) is increasing. We should worry.

‡‡

The per capita national, state county, municipal and district debt in this country is \$53.38.

‡‡

The public must pay the new workmen's compensation bills.

‡‡

The English language is ungrammatically spoken by 170,000,000 people. Of the 600,000 words the average person uses perhaps three in a thousand.

‡‡

One H2O Fishback appears to have got a setback.

‡‡

The Missouri Orr law must go to the "dumps," or the business of the state will.

‡‡

Don't fancy you can invest your money better than the life insurance company. Even that Napoleon of Finance, the late Edward H. Harriman, died with \$4,000,000 worthless stocks and bonds which he had invested his money in.

‡‡

Fires will decrease in mad Missouri.

LOOKING BACKWARD

TWENTY YEARS AGO

It was shown that the defunct Iron Hall fraternal society had paid \$50,000 for legislative expenses. This really was for protection by the New York legislature.

The Industrial Company of California was announced. It was to be a fire company with a capital of \$200,000. It was to insure chiefly agricultural risks, horticultural and viticultural risks, with no conflagration hazard. The organization was never completed. The capital could not be raised.

The Denver Life Association was organized.

Oregon fire premiums in 1892 amounted to \$1,102,246, with 67 percent loss ratio.

The Nevada fire premiums for 1892 were \$152,650.

E. D. Farnsworth, a veteran underwriter, died in San Francisco in his 75th year. He was the father of the late Edward Farnsworth.

Chief Dave Scannell of San Francisco died in his 73d year and was succeeded by Assistant Chief Sullivan, who was later killed by a fall in the San Francisco earthquake and fire. Scannell had served the city for thirty years with marked ability as the chief of the fire department.

The State Investment and Insurance Company of San Francisco collapsed. It was found to be impaired \$247,000. At the beginning of the year the company claimed \$385,100 net surplus. The Coast Review received evidence that the company was in difficulties and that many losses were unpaid. At our request, Insurance Commissioner Wilson and Deputy Rohrer made an examination of the company and reported that it was solvent, with a small net surplus. It subsequently transpired that the president had opened the loss telegrams and placed them in his pocket. Dividends to stockholders were paid regularly, but not a dollar of the company's capital was saved. It is understood that a few losses in Kentucky were never paid.

Losses and expenses of the American fire companies in 1892 were 99 percent of the premiums.

Paul M. Nippert was manager of the Fire Association of Philadelphia, the Granite State and the Reading Fire for the Coast. He was the youngest manager on the Coast then.

A. R. Gurrey was appointed manager of the Western and British America and the American (N. Y.), succeeding Alfred Jones. Charles A. Stuart was appointed assistant manager.

The Columbian Fire of Louisville came to the Coast with Thomas C. Hindman as manager and U. B. Wilson as assistant manager.

Voss, Conrad & Co. were appointed Coast general agents of the Aachen & Munich Fire.

At the, F. U. A. P. banquet, vocal music was furnished by the "underwriters' quartette," consisting of Messrs. Hopkins, Wetzlar, Stone and Jackson. The Coast Review said the quartette converted themselves into a Dutch band during the evening, and blew their lungs out through fog horns. The best stories of the evening were told by Messrs. Fabj, Metcalf and Fogarty.

At Sacramento thirty-five bills affecting insurance interests were introduced. Only three were passed by both houses, and they were vetoed by Governor Markham.

The Oregon valued policy law became a law without the signature of the governor.

The chief of the Manchester, England, fire brigade declared that wood is the safest building material in the world, as far as fires are concerned.

World's fair frame hotels in Chicago were insured at high rates with decrease of one-half of one percent in liability each day from April 25th to November 5th. The hotel keepers generally in Chicago made contracts for the fair period at considerably advanced rates.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

Life Insurance in Court

Indiana.—Hay v. Meridian Life & Trust Co.
101 N. E. Rep. 651

Premiums—Dating Back—Validity of Loan Agreement

Where a life insurance policy was dated back seven years, there was no consideration for insured's agreement to pay the premium for those years, unless he was thereby placed in the same position in which he would have been had the contract been made seven years before, and hence such agreement was valid only to the extent of the net reserve value at that time of such a policy issued seven years prior thereto.

Appellant has contended that the loan agreement is not binding upon the beneficiary. With this we cannot agree. The beneficiary obtained her rights only by the contract entered into by the insured and the insurer. The loan agreement was a part of that contract entered into at the same time, and must be given the same effect against the beneficiary as against the insured. Therefore she is bound by the loan agreement, so far as valid.

Non-Payment of Premiums—Extended Insurance— "Indebtedness on Account of the Policy"

Where a life insurance policy was dated back seven years, insured's agreement to pay the premium for those years, which provided that it should be a lien on the policy until paid, was an "indebtedness on account of the policy" within a provision of the policy that any indebtedness on account of the policy outstanding at time of settlement should reduce proportionately the extended insurance to which insured was entitled after a default in the payment of premiums.

It is contended that the loan agreement was made without consideration. No money passed between the parties, but the loan agreement was signed at the time the contract of insurance was made and the policy was dated back seven years. If the policy

had actually been issued on December 23, 1897, on the 20 pay life plan, and the premiums had been paid up to December 23, 1904, the policy would at that time have had a certain value, commonly known as the net value or reserve, made up of the accumulation of the balance of past premiums not absorbed. The progressively increasing risk from age to age is paid for by an average premium uniform throughout life or a specified term of years. The average premium must always be greater in the early years of assurance than is required for the risk in those years, and the surplus part of the premium which remains in hand after providing for the risk must be husbanded and accumulated at the fundamental rate of interest, in order that it may provide for the years in which the value of risk is greater than the premium. King's Institute of Actuaries, \$9,318. The reserve is the fund which has accumulated out of the net premiums payable under any policy. On the average, this fund, together with the net premiums to be received in future, is the exact mathematical equivalent of the obligation incurred by the company to pay the sum insured. Wiley and Moir, Principles and Practice of Life Insurance, p. 24.

There was no insurance actually carried on the life of the insured during the seven years the policy was dated back, and the dating back of the policy would be no consideration to the insured, unless he was thereby placed in the same position in which he would have been had he actually entered into the insurance contract seven years sooner. Appellee claims that this was done, and that the reserve which would have been created had the insured paid premiums for seven years was loaned to him. If this is the situation created by the contract, the parties would be placed in the same position that they would have been if the contract had been made seven years sooner and the premiums paid. The inducements to entering into such a contract might be summed

up as follows: Appellee by its agent in effect would say to the insured: "If you had taken out insurance seven years ago, you could have obtained it at a lower rate than the rate for your present age; if you had taken out a policy then, it would have had a certain value now, known as the net value or the reserve; you may be able to obtain insurance now at the rate at which you could seven years ago, by our loaning to you an amount equal to the reserve on a policy taken out seven years ago, upon your agreement to pay us 5 percent interest upon the loan, and to repay the loan to us: thus your insurance will mature seven years sooner, and we will obtain 5 percent on the reserve thus created. If you die within thirteen years, the loan will be canceled, provided all premiums due have been paid." Such a contract would be fair, whether or not especially advantageous to either party. Such a loan would, we believe, be valid and upon consideration; the effect being the same as if actual money loaned had passed. We also believe that such a loan would be "indebtedness on account of the policy," and this position is supported by the authorities.

Oregon.—Union Pac. Life Ins. Co. v. Ferguson, State Ins. Com'r., 131 P. 1012.

Cash Capital

A resolution of the stockholders and directors of a life insurance company which declares that the assets of the company shall constitute its capital set apart as a basis of credit for the policyholders and creditors and not subject to withdrawal converts the assets into cash capital within L. O. L. § 4,610, providing that no insurance corporation shall be permitted to do business until it shall have a paid-up cash capital equal to a specified sum, and the assets cannot be withdrawn or diverted by the corporation.

Mutual Fire Members' Liability

Where a mutual fire insurance company wrote a large amount of insurance on the faith of a guaranty contract, the subscribers to such guaranty were estopped to deny their liability thereunder, on the ground that it was invalid, for fire losses falling within its terms.—Pacific Reporter, May 26.

Fire Insurance in Court

California.—National Union Fire Ins. Co. v. Nason, 131 Pacific Reporter 755

Construction of Agent's Contract—Compensation—Commissions Retained on Cancelled Policies

An insurance agent working under a contract providing for return of commissions retained by him from premiums on policies afterwards canceled was liable for such commissions, irrespective of whether the policies were canceled before or after the termination of his agency.

Defendant was for a term of years the general agent for the plaintiff in the state of California. At the time of the trial the parties exchanged accounts, from which it appeared that the only difference between the parties was as to two items; the respondent claiming a credit of \$925.23 for return of commissions retained by appellant from premiums on policies that were afterwards canceled, and the appellant claiming a credit of \$317.33 for commissions earned by him, but rebated to, insured policyholders by respondent through adjustments made necessary by reason of the fire in San Francisco of 1906.

If respondent's claim for return of commissions was sustained without allowance to appellant for earned premiums, there would be a balance of \$678.77 due respondent. The court found in favor of respondent on the single issue of the return of commissions on canceled insurance, and in favor of appellant for the amount of \$317.33, earned commissions on adjusted insurance, and gave judgment for the respondent for the balance claimed after deducting this amount.

Judgment Affirmed

Missouri.—Payne v. Ins. Co. of North America, 156 S. W. Reporter 52

Cancellation—Notice—Return of Unearned Premium

Policy was not canceled by a letter written insured by the company's agent informing him that the company wanted to cancel it, and asking where the policy was, without any tender of the unearned premium, since the notice should have expressed a clear and unequivocal action on the subject of cancellation, and not a mere purpose to take such

action at a future time, and, moreover, the policy could not be canceled without placing insured in statu quo by returning or offering to return the unearned premium.

Where a letter written insured was insufficient as a cancellation of the policy because merely an expression of an intention to cancel it at some future time, and because there was no tender of the unearned premium, a letter written by insured stating that he saw no reason for canceling it, but that if the company would not carry it any longer, and the company's agent could place the insurance in any other good company, he might do so, and a conversation between the insured and the agent relative to searching for the policy in which the agent stated that the old policy would stand until it could be changed, was not a waiver by insured of an unequivocal notice of cancellation, and a tender of the unearned premium amounting to a cancellation by mutual consent.

Such letter did not authorize the agent to hold the unearned premium as the agent of insured, but merely gave the insurer the option of procuring a new policy in another company, instead of tendering the unearned premium.

The argument that the agent became the agent of plaintiffs for the procurement of a new policy, and therefore should be considered as holding the unearned premium in such capacity and for the benefit of plaintiffs, is untenable. The agent did not act in a dual capacity, but throughout the entire transaction was the agent only of defendant. As we have stated, the substance of plaintiff's alternative offer to defendant was to accept a policy in another company in place of the old policy should defendant conclude to assert its right to rescind. In such case defendant would have the option of procuring the new policy or of tendering the unearned premium in money and the acts performed by the agent in giving effect to either course could not have been regarded in any other light than as acts performed in defendant's service. The defence of cancellation finds no support in the evidence:

The Mutual Life began with a million of insurance subscribed. In the first year 470 policies were issued.

Missouri—Harmon v. Stuyvesant Ins. Co.
156 S. W. 87

Adjustment of Loss—Appointment of Appraisers

Where adjuster named an appraiser and afterwards appointed another appraiser, without notifying insured of the change, even when informed of the appointment of an appraiser by insured, the party first appointed by the adjuster remained a duly qualified appraiser.

Adjustment of Loss—Notice Arbitration and Appraisal

When a policy required no notice of the time and place of appraisal, and each appraiser knew the time and place, and attended, and the property was not in such condition as to require the presence of the parties, there was no necessity for notice to them, unless the appraisers required their attendance.

Value of Property—Single Sale

Where the insurer refused to pay the loss as appraised, claiming that the appraisal was fraudulent, evidence as to what the insured had paid for the property was inadmissible, since a single sale of property is not a good criterion of its value.

Waiver of Right to Object

Where an insurer repeatedly demanded an appraisal as provided by the policy, and such appraisal was had, it could not, after refusing to pay the appraised loss and obliging the insurer to sue, contend that as the loss was total there was, in view of the valued policy statute, no ground upon which to base an appraisal, and that it was therefore void.

Evidence—Damages Stated in Proof of Loss

Where the insurer refused to accept proofs of loss, in which the claim of insured was stated to be a sum less than the amount of the insurance, such proofs were inadmissible in an action on the policy, since insured was no longer concluded by his estimate therein.

Waiver—Allowance of Attorney's Fee

Under Rev. St. 1909, providing that if, in any action against an insurer to recover a loss, it appears that the insurer vexatiously refused to pay such loss, the court or jury may allow additional damages, not exceed-

ing 10 per cent, on the loss, and a reasonable attorney's fee, it is not necessary that both the penalty and the attorney's fee be inflicted; and where the insurer's vexatious delay was an issue a finding for an attorney's fee, without expressly finding vexatious delay, was a finding of vexatious delay.

New York.—Simon Cloak & Suit Co. v. *Etna Ins. Co.* 141 N. Y. Supp. 553

Proofs of Loss—Fraudulent Estimate of Value

In an action on an insurance policy, an exaggeration of the amount of the loss was not fraud, invalidating the policy, where insured had no means of positively determining the value of the goods destroyed, and was compelled to estimate the loss; and hence a verdict for an amount which showed that insured overestimated the loss 100 percent, did not justify the court in rendering a judgment for defendant.

In an action on an insurance policy, where the loss is capable of more or less accurate ascertainment, a gross overvaluation of the goods destroyed compels the court to determine as a matter of law that intentional fraud was attempted; but the evidence must be conclusive against mistake or misapprehension.

Fire Legal Brevities

Though a fire policy provides that it be void if the subject of insurance be a building on ground not owned by insured in fee simple, and that any varying of its terms shall be by endorsement thereon, the insurer's agents having been informed of insured's lack of such title, and the policy having thereafter been issued without such an indorsement, the insurer will be held to have waived the provision therefor.—*N. W.* 482.

Where a lease by a railroad company of part of its depot grounds provided that the lessee should hold the lessor harmless from all claims for loss from fire started by the locomotives of the lessor, whether caused by negligence or otherwise to the property of the lessor [or any other person while on the demised premises], and that the lessee should procure insurance on the building and cause it to be written so that the insurer would have no recourse against the

lessor, the exemption applies to property of the lessee, and his insurer is subrogated to no rights against the lessor; the provision as to insurance simply being a precautionary measure, and the terms of the bracketed clause including the property of the lessee. 140 N. W. Rep. 373.

Marine Insurance in Court

New York.—*Symmers v. Carroll et al.*, 101 N. E. Rep. 698.

Right to Procure

The owner of a vessel used in carrying passengers and merchandise may insure himself against his own negligence, and against the necessity of entering into any inquiry as to his negligence, where shippers have relieved him from liability for loss by fire; but he remains liable for his negligence.

Insurance of Freight—Rights of Beneficiaries

A carrier may insure the goods left in his charge, not only for his own benefit, but for the benefit of the owners thereof.

Where a carrier receives the proceeds of a policy of insurance, for account of whom it may concern, he holds the money as trustee for those concerned, and he must, after paying himself, divide the remainder among those entitled thereto.

Creating Trusts

No particular words are necessary to create a trust; but trust relations will be implied when it appears that such was the intention of the parties, and when the nature of the transaction is such as to justify or require it.

A person with whom or in whose name a contract is made for the benefit of another is a trustee or an express trust, within Code Civ. Proc. § 449.

Right to Proceeds of Policy

Where the owner of a vessel procured insurance on the cargo for account of whom it may concern, and he was relieved by decree of court from all liability to the owners of the cargo for loss by fire, and he collected the policy, he held the proceeds in trust for the owners. Complaint need not allege that there was any previous contract between the owner and the shippers that he

should procure insurance on their account, or that they should pay any part of the premium, nor allege that the owner's loss did not absorb the whole amount of the proceeds, for the intention of the owner to insure the interests of the owners of the cargo for their benefit was established by the words of the policy, "for account of whom it might concern," and equity may compel an accounting to avoid a multiplicity of suits, and where owners of the cargo had procured insurance that fact must be considered on the accounting.

It does not appear from the complaint that any of the shippers had taken out insurance for their own benefit, or that the policy issued to the carrier contained any provisions that would be applicable if there was other insurance on the cargo. If there was other insurance obtained by any other individual shipper, that might affect the amount of his recovery. These matters would also be a proper subject of inquiry on the accounting, with all other facts touching the rights of any of the parties to share in the insurance moneys.

Automobile Insurance in Court

New York. — *Hardenbergh v. Employers' Liability Assur. Corporation*, 141 N. Y. Supp. 502.

Sufficiency of Evidence

Evidence that an automobile, while on a road, the sides of which sloped from the edge of the macadam roadbed at an angle of 30 to 45 degrees into a deep ditch, was turned upon the side of the ditch to pass an approaching vehicle, that the hind wheels skidded, throwing the rear of the machine further into the ditch than the front wheels, that in attempting to regain the road the right front wheel collapsed, that the wheels that left the road sunk three or four inches into the earth, and that the spokes of the right front wheel were broken off at the hub, and the tire was intact, did not establish a right of action under a policy insuring the automobile against damages caused by collision with another object, either moving or stationary, since it failed to show a collision, but seemed to negative such theory, and the court could not speculate as to the cause of the collapse.

Burden of Proof

The burden of proof was on plaintiff to prove that the damage sustained was the result of a collision with some object, moving or stationary.

Construing Policy Against Insurer

The rule that a policy is to be construed most strictly against the insurer applies only to its language, and not to the facts of the case.

Fidelity Insurance in Court

Washington. — *John Lee Clark, Inc., v. Fidelity & Deposit Co.*, 131 Pac. Rep. 468.

"Larceny"

"Larceny" is the taking of money or property of another with criminal intent to deprive the owner of its use and benefit, and a fidelity bond protecting against pecuniary loss by any act of "larceny or embezzlement" of plaintiff's employee would not include loss from poor business judgment exercised by the employee resulting in her becoming indebted to plaintiff beyond an agreed amount.

It is not disputed that the rock that wrecked this business was the move to Second avenue, with its enlarged rental and amount expended in making store changes, Miss Churchill may have used poor business judgment in making this move, but it is another thing to say that, because she lost money in attempting to put the business on a better paying basis, she was guilty of larceny or embezzlement. She appropriated the money to what she deemed to be the demands of the business for the mutual benefit of herself and respondent. She did not misappropriate it to her own use, or make such a conversion of it as to subject her to a charge of larceny. "Larceny" is to take the money or property of another, with criminal intent, to deprive the true owner of its use and benefit. There is nothing of that kind disclosed in this record, and this bond covers nothing else. It does not cover the indebtedness of Miss Churchill to respondent, or the balance due it on its consigned account.

The American mortality table shows that nine out of every thousand die every year.

FIRE INSURANCE

SUN INSURANCE OFFICE

This 204 Years Old London Company Makes Gains in Assets, Surplus and Premiums—Cash Resources About \$19,000,000, With Some \$11,000,000 Net Surplus

The home office statement of the Sun Insurance Office, which was founded in 1710, shows a total of \$18,629,000 cash assets on January 1. At the present writing the usual increase has no doubt brought this total up to nearly \$19,000,000. These figures of resources do not include any life department, as this Sun does no life insurance business. Of the \$12,000,000 subscribed and guaranteed capital, \$1,200,000 is paid up, leaving \$10,800,000 guaranteed capital, which may be properly added to the cash assets, thereby making the total resources \$29,429,090 for the protection of policyholders. The policyholders' cash surplus is \$12,690,738, or over \$23,000,000 if we add the guaranteed surplus.

The net premium income passed the 8 million post in 1912, advancing to over 8½ million dollars. Losses were less than 50 percent of the premiums. The company was able to pay its usual dividends and add handsomely to its surplus funds. The capital paid up is now \$1,200,000. It will be increased to \$2,400,000 this year.

The Sun is prosperous both at home and abroad. The United States department has \$4,622,987, of which sum over one-fourth is surplus. The yearly income is over \$3,000,000, and every year since 1906 gave an underwriting profit.

The Pacific department does a profitable business under the joint management of Willard O. Wayman and C. A. Henry. This general agency ranks second in volume of Coast premiums and last year had a loss ratio of only 36 percent of the \$1,807,000 premiums.

Panama Fair.—Arizona seems to think it has naught to exhibit. Why not show the fire loss ratio? Hawaii, on the contrary, has appropriated \$100,000 for an exhibit.

Of Course

The Iowa supreme court has ruled that goods removed from a building threatened with fire and afterward damaged by rain must be paid for by the fire insurance company the same as if the damage was due to fire.

Underwriting Results in 1912 in U. S.

Premiums	\$ 307,287,313
Losses	161,917,069
Expenses	120,783,626
Increase in liabilities	16,842,087
Underw. profit, (2.52)	7,744,531
No. of companies, 183	
Ten years' premiums	2,550,290,543
Losses and expenses	2,400,244,911
Increase in liabilities	153,413,427
Net Underw. loss, (.13)	3,367,795

A flue inspector has been appointed in Houston, Tex. It will be his duty to see that every flue and chimney in the city is made absolutely safe. It is estimated that about 70 percent of the fires in Houston, especially during the winter months, originate in defective flues.

The Insurance World of Pittsburg has called up the ghost of the Manhattan Fire of New York, which went out of business in 1901, in one Christensen C. Kauffman, a Pennsylvania agent who had been selling the policies of this company for several years. Kauffman is now out on \$15,000 bail.

The New York insurance department has called upon the government postoffice inspectors to stop the use of the mail by "Wild Cat" insurance schemes.

The agitation against the use of red paint for mail boxes by fire chiefs and others interested in fire fighting has resulted in the revocation of the order by the postoffice department.

The National Association of Manufacturers favors a fire prevention campaign.

THE "SUN" IS NOW IN THE 204th YEAR OF ITS EXISTENCE. IT IS THE ONLY INSURANCE COMPANY IN THE WORLD THAT HAS TRANSACTED BUSINESS CONTINUOUSLY FOR TWO CENTURIES

*Two hundred
and fourth year*

SUN

FOUNDED IN
1710

INSURANCE OFFICE OF LONDON

Subscribed and Guaranteed Capital, \$12,000,000
Total Resources, - - - - 29,429,090

*Statement of the Condition and Affairs of the Company for
the Year Ending December 31st, 1912*

ASSETS

Railway and Other Stocks and Bonds	\$ 7,468,500
Mortgages	974,675
Government Securities	2,464,985
Real Estate Owned	4,766,425
Branch and Agency Balances and Due by Other Offices	1,628,105
Bills Receivable and Other Assets	294,150
Cash in Bank and on Hand	1,032,250
Total Cash Assets	\$18,629,090

LIABILITIES

Reinsurance Reserve	\$ 4,113,357
Outstanding Losses	666,200
Due Other Offices	320,550
Branch and Agency Balances	302,155
All Other Liabilities	536,090
Total Liabilities	\$5,938,352

SURPLUS, : : : : \$12,690,738

INCOME

Net Premiums Received	\$ 8,226,725
Interest, Rents and Other Sources	627,360
Total Income	\$8,854,085

EXPENDITURES

Losses Paid	\$ 4,062,510
Commissions, Expenses, Etc.	3,309,280
Dividends	678,000
Total Expenditures	\$8,049,790

PACIFIC DEPARTMENT.--CALIFORNIA, NEVADA, ARIZONA, OREGON, UTAH, WASHINGTON, IDAHO, MONTANA, ALASKA.

WILLARD O. WAYMAN---CARL A. HENRY

Joint General Agents.

Northwest corner Sacramento and Sansome Streets, San Francisco.

SPECIAL AGENTS: Los Angeles—James F. Boylan, E. A. Rowe; Portland—E. R. Thompson; Spokane—W. S. Gill, C. B. Harris; Seattle—Bruce Kaltz; San Francisco—J. N. Waters, W. W. Cleveland, James R. Kenna.

The Inland Fire Ins. Co. Suit

Guarantors of this Defunct Washington Mutual Successfully Sued by the Receiver

Receiver brought action against Juvenal et al. upon their written guaranty fund contract. The Inland of Spokane was a mutual company, and the guarantors were promised 50 percent of the fire mutual's profits. Defendants denied liability. The company was declared insolvent in May, 1908.

The receiver found \$7,930 unpaid fire loss claims, adjusted and valid, but he found no assets. The subscribers to the mutual guaranty flunked as usual. In the day of trial they had cold feet.

The subscribers acknowledged the making of such guaranty "to induce policyholders to insure their property in the mutual," but relied on the technical defense that the guaranty fund was without legal consideration and was void; that being a mutual the company could make no profits, and the agreement to set aside 50 percent of the profits to indemnify subscribers to the guaranty fund, for the risk assumed, was therefore impossible of performance. The Washington supreme court, 131 P. 851, held that "on the plainest principles of equity these subscribers should now be estopped to deny their liability for fire losses falling within the terms of their undertaking."

And therefore, now, more than five years after the losses occurred, the policyholders of this Inland fire mutual of Spokane, are to be paid the amounts due them.

These policyholders were so unwise, so imprudent, so thriftless as to prefer "cheap insurance" based not on cash surplus funds but on the promises of men who had subscribed to a guaranty fund for promised mythical profits. Altogether, about \$2,500,000 of insurance was written by this mutual from April 25, 1907, to October 11, 1907, which was practically all that was ever written by it, and all on the strength of the advertised "\$100,000 guaranty fund," displayed in conspicuous red letters on the back of its policies.

What a low moral type of business men is disclosed by the refusal of the guarantors to acknowledge any liability!

State of Misery

Bankers and other business men have petitioned the governor of Missouri to call an extra session of the legislature to reconsider the Orr law. Of course the little czar refuses. Other business men propose to circulate a referendum petition for the suspension of this drastic law. Relief is demanded by many interests affected by the retirement of the fire underwriters.

The Standard of Hartford, which refused to retire from the state and remained to pick plums, finds that its own agents fear the penalties of the law, and that agents outside of the state are "knocking" the company as it deserves.

The Broker

An insurance broker authorized by defendant to renew all expiring insurance for his account, who thereafter delivered certain policies to defendant, in the absence of any custom showing that he was not acting for defendant, held entitled to compensation.—138 N. Y. S. 1009.

The Royal Exchange.—Fire department net prems., £839,607; losses, £435,789. Marine dept. net prems., £353,773; losses, £291,529, including £51,500 on the Titanic.

The Northern Assurance.—Since 1890 this London company's net fire revenue has doubled, and its total accumulations have doubled up to \$40,000,000.

Our contemporaries, or some of them, are ignorant of the fact that the fire premiums of Hawaii are very largely drawn from specially hazardous sugar industry risks. One big fire, possible at any time, would wipe out the underwriting profits of many years. This is also the case in Alaska, which produces nearly all its fire premiums from policies covering canneries. Once in a while a cannery burns, and away goes the underwriting profits of years.

San Leandro, Cal., firemen justly complain because they have no steam, gasoline nor horse power to haul their heavy apparatus to fires that don't wait.

FIRE PROTECTION

From a Paper by J. H. Morrow, Special Agent Commercial Union, San Francisco, Read at the 37th Annual Meeting of the Fire Underwriters' Association of the Pacific

Fire waste, how apt it is for us who are in the insurance business to regard it from a business standpoint. A premium income dissipated by fire losses, especially avoidable fire losses, is a serious thing, and prudence rather than selfishness is possibly the term which should be used in characterizing our attitude toward this constant menace to legitimate business profit.

It is seldom, however, that the insurance loss is the true exponent of the property loss. There are uncovered values and a train of misfortune entering into the aftermath of fires for which an insurance policy can furnish no alleviation.

Now we, as special agents, are charged with a double duty, double in the sense that the interest we would conserve belong both to the public and to the insurance companies. In fact this is a case wherein we can serve two masters without conflict. If, by our efforts, the fire loss can be curtailed the benefit extends in both directions.

To enjoy the privilege of discharging this double benefit, to seize the opportunity and turn it to advantage is a great thing. Nations plunge into war over matters often trivial in comparison with the annual waste by fire in the United States alone, and men go forth to battle snatching at the glory of dying upon a "bed of honor" for their country's sake. But for us who are called to engage in this campaign of stopping the waste of conflagration, if there is no glory of the martial kind, there is at least a satisfaction in realizing that we have used our scientific and business training for the general good.

It is a fine thing for a special agent to be an income producer, but to be an income producer without being an income conservor is to fail in fulfillment of the true measure of success.

Intelligent inspections are essential, and it is right here that the public's interest in this question of waste is apparent. The inspector should become the advisor. He should not merely seek by criticism to reduce to a minimum the hazard incident to the occupancy of the individual risk, but should recommend along broad and judicious lines ways of betterment in construction and advanced methods of protection. Tactfully, he should extend his observations and his advice to surrounding property, since it is the fire fiend outside the gates, as well as the fire fiend inside the gates, who must be reckoned with.

Then, there is the opportunity to bring our knowledge and our advice to bear upon the public direct, upon the municipality and upon its officials, such as the mayor, superintendent of buildings and chief of fire department. To do these things the special agent must have equipped himself by study and experience. He must know what he is talking about, what he is advocating or else he may expose himself to the ridicule which a hard-headed New England farmer once indulged in at the expense of a city clergyman to whom he had listened the previous Sunday. "That

preacher," he said, "was great in the way he used words, but say, when he talked about them *gentle* sheep he was all off. Why I'd give him a dollar to cross my ten-acre lot when my old ram was there and get his coat tails safe to the rail fence."

Without flattery I can say that the technical equipment of even the youngest among us is so far advanced that once this campaign for education and betterment is entered upon, every man can be counted upon to accomplish desired results.

Study and experience will increase our influence. If the man from Missouri wants to be shown, show him, but don't wait until he asks. In doing this work it is proper that we carry with us a professional dignity. Each represents his company; in this work of education he, however, represents all companies, with the burden of responsibility of the greatest moment.

(Actual copy of letter)

San Jose Cal. Oct 2 1912

Mr. Western Underwriters & Co.
San Francisco.

Sirs:

The act that of a fire that by accident that happened at 2738 Eli Pingel home and was reported by Minnie Plunkett wife of Axel Plunkett caused by a match struck by their 6 year of boy Otto and was put out by Minnie Plunkett by use of water hose.

Kind sirs, you inspector came last Saturday and inspected the damage the lost was 1 loung 10\$ memoral picture 3.50\$ 2 loung pillows comple burned 1\$ 50c 1 table cover 2.50\$ 1 pair shade 1.00\$ lace curtain 4.00\$ matten I had just put down 8.40\$ near half of my paper on walls top and sides.

A folden bed 70.\$ damage cant open one door with out fore the back wood pulled aloose can scarsely pull it down by force must have it repaired the matten is damaged by fire fallin & soot & watter I think what you a acess my lost was very litter I can not place it with so small a mount as 25.50 and it is not doin justice to me you company and agent I have praised your compnay to other and have cause other to join you & still 25.50 will not be half value but if you think it right to do so it is in you power.

I suffered in the blaze of all the fire over head and around me I am still nerveous from it a chair of clothes belonin to Petersen and smoke & put out the fire I have never been myself since.

4 top shirt belon to Petersen (new) 1 pair slip 1 pair pants 1 vesque all burning at one time top on burou with several skirts and stokins from smoke & fire.

Resp.

Annie Pingel.

(We are happy to be able to state that this loss was later adjusted to the assured's entire satisfaction.—Eds.)

Oregon Fire Business in 1912

Present Population 798,000

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Aachen & Munich	\$ 870,140	\$ 12,921	\$ 7,666
Aetna	1,009,068	60,819	21,041
Agricultural	1,256,332	20,554	7,135
Alliance	479,342	8,101	2,633
American, N. J.	865,697	12,241	13,223
American Central	1,547,609	27,929	20,459
American Union	754,937	10,085	2,287
Atlas Assur.	1,197,396	25,752	16,128
British America	438,640	5,929	5,943
Caledonian	1,319,414	22,522	12,254
California	2,351,123	37,135	19,317
Camden	296,220	3,203	786
Citizens	650,512	11,360	8,713
Colonial	676,281	9,994	4,532
Com. Union Assurance	1,915,926	36,762	10,676
Commercial Un'n. N. Y.	258,773	3,105	909
Concordia Fire	614,888	10,488	8,822
Connecticut Fire	2,333,548	35,799	15,221
Continental Fire	3,547,910	50,912	31,098
Detroit F. & M.	29,750	372	
Dubuque F. & M.	273,400	4,046	2,934
Equitable F. & M.	716,079	11,223	8,174
Fidelity-Phenix	2,232,945	30,598	15,629
Fireman's Fund	4,806,403	84,140	38,205
Fire Association	2,301,804	38,485	24,454
Franklin Fire	714,466	11,277	2,554
German, Pittsburg	377,114	5,178	6,254
German Alliance	334,789	5,969	3,422
German-American	5,731,364	87,807	66,047
Germania Fire	2,261,696	34,805	17,081
Girard F. & M.	300,000	4,512	531
Glens Falls	900,000	13,201	4,579
Globe & Rutgers	1,594,549	24,970	8,199
Globe Underwriters	249,250	3,747	1,483
Greenwich	169,665	3,008	1,786
Hamilton Fire	56,394	643	36
Hamburg-Bremen	1,398,244	15,602	7,781
Hanover Fire	800,000	10,339	6,872
Hartford Fire	6,151,875	99,667	57,966
Home, N. Y.	8,883,179	103,763	33,367
Home of Utah	184,542	2,135	624
Ins. Co. of North Amer.	2,516,928	38,023	17,045
Law Union & Rock	923,001	13,393	13,381
Liv. & Lon. & Globe	5,153,961	88,716	53,530
London Assurance	3,412,691	55,130	30,701
London & Lancashire	3,084,813	48,365	14,278
Mercantile F. & M.	17,953	547	207
Mercantile F. & M. Und.	99,487	1,591	
Michigan F. & M.	376,722	5,206	1,285
Michigan Commercial	37,263	4,296	2,444
Milwaukee Mechanics	2,423,034	35,030	14,138
Minnesota Underwrit's	151,752	1,913	
National Fire	3,217,596	44,819	18,538
National Union	3,856,438	34,694	15,516
Newark	392,615	6,814	491
New Brunswick	640,445	10,578	6,585
New Hampshire	257,834	4,360	5
New Haven Und.	50,000	910	7
New York Underwriters	2,192,044	33,699	23,752
New Zealand	2,116,048	36,339	14,576
Niagara-Detroit	584,857	8,002	7,729
Niagara Fire	2,513,055	40,513	31,792
Norwich Union	1,464,710	26,974	11,975

Company	Written	Prem's	Losses Incur'd
Northern Assurance	3,650,024	59,867	39,135
North Brit. & Merc'le.	5,189,468	75,860	35,005
Northwestern National	3,043,932	33,323	16,233
Orient	782,060	13,086	4,071
Palatine	1,504,754	28,327	8,727
Pelican	288,899	4,502	3,093
Pennsylvania Fire	1,290,398	22,146	20,369
Peoples National	400,000	4,043	3,334
Phoenix Assurance	2,248,143	30,619	17,940
Phoenix of Hartford	2,380,053	37,548	24,371
Protector Underwriters	547,518	8,770	1,817
Providence-Washing'tn	639,853	9,259	8,907
Prussian National	1,787,362	20,621	11,826
Queen Ins. Co. of Amer.	2,987,772	51,146	31,633
Rochester-German	783,274	12,892	5,865
Royal Exchange	1,229,135	16,356	2,715
Royal	5,051,613	88,856	44,666
Scot. Union & National	2,947,098	35,279	11,264
Springfield F. & M.	3,109,595	53,238	22,582
Standard	317,610	4,411	596
St. Paul F. & M.	1,848,762	30,769	18,975
Sun of London	2,703,089	42,854	20,862
Sun of New Orleans	115,850	1,644	2,740
Svea	861,598	14,123	6,484
Teutonia	316,943	4,657	1,883
Union Assurance	2,207,740	31,814	22,734
Vulcan	64,250	933	
Western Assurance	2,313,105	27,717	21,597
Westchester	826,620	13,948	5,898
Williamsburg City	500,000	7,742	5,257
Yorkshire	689,386	7,794	5,059

Totals Oregon . . . \$151,716,069 \$2,290,280 \$1,191,998
 in 1911 . . . 158,407,294 2,487,364 1,121,963

Idaho Fire Business in 1912

Present Population 425,000

Reported to The Coast Review

Company	Written	Prem's	Losses Incur'd
Aachen & Munich	\$ 368,625	\$ 7,816	\$ 4,701
Aetna	1,380,813	28,034	14,546
Agricultural	502,898	10,447	4,154
Alliance	111,918	2,939	3,544
American, N. J.	377,237	7,221	6,146
American Central	928,417	18,840	9,889
American Union	134,075	3,608	202
Atlas	780,877	15,130	7,075
British America	185,835	3,893	2,290
California	710,577	11,247	4,727
Caledonian	584,988	11,568	7,122
Citizens	347,631	7,679	2,512
Colonial	340,121	6,793	5,823
Commonwealth	38,641	823	2,187
Com. Union Assurance	750,395	14,164	8,487
Concordia Fire	248,465	4,323	4,057
Connecticut Fire	803,775	16,243	15,758
Continental	1,130,981	20,869	12,853
Delaware Underwrs.	1,500	20	
Detroit F. & M.	5,000	23	
Dubuque F. & M.	120,513	2,374	905
Equitable F. & M.	130,621	2,381	1,982
Fidelity-Phenix	934,592	17,386	18,009
Fireman's Fund	1,393,711	27,440	13,390
Fire Association	786,522	18,591	14,667
Franklin Fire	290,259	5,838	3,346
German Alliance	76,544	1,435	157
German-American	1,484,525	26,882	11,841
Germania Fire	957,520	20,119	7,121
Glens Falls	800,000	6,484	8,749
Globe Underwriters	140,875	3,510	

Note that the N. Y. Underwriters' figures, being included with the Hartford Fire in these tables, are not added in the totals.

Fire Insurance

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Idaho Continued

Company	Written	Prem's	Losses
Globe & Rutgers	337,585	7,967	4,096
Hamburg-Bremen	220,555	3,501	4,976
Hamilton	4,000	60	.. .
Hanover	700,000	14,617	9,259
Hartford Fire	4,372,580	100,811	48,928
Home, N. Y.	3,889,008	48,643	16,508
Imperial	185,302	4,836	15,385
Ins. Co. of North Amer.	956,446	21,332	18,007
Law Union & Rock	629,877	14,034	7,059
Liv. & Lon. & Globe	1,640,151	34,682	17,190
London Assurance	772,570	15,438	4,011
London & Lancashire	559,177	9,849	2,283
Mercantile F. & M. Und.	169,725	3,216	707
Mercantile F. & M.	66,525	1,217	4,569
Michigan F. & M.	147,615	3,156	2,716
Milwaukee Mechanics	528,000	9,991	9,202
Minnesota Und.	133,550	2,352	49
National Fire	1,554,493	22,922	9,880
National Union	707,202	9,260	6,534
Newark	58,700	1,507	.. .
New York Underwriters	832,674	16,201	7,791
New Brunswick Fire	342,561	6,808	5,825
New Haven Und. . . . .	.. .	930	.. .
New Zealand	656,634	12,842	4,702
Niagara-Detroit	161,245	3,395	1,351
Niagara Fire	732,760	12,897	6,076
North Brit. & Merc'tle	1,094,843	21,876	10,634
Norwich Union	751,846	16,232	8,378
Northern Assurance	1,212,040	25,554	16,816
Northern, N. Y.	9,975	230	242
Northwestern National	839,248	15,062	12,201
Orient	296,525	5,037	2,261
Palatine	588,369	10,364	4,453
Pelican	49,425	963	774
Pennsylvania Fire	598,565	11,208	3,252
People's National	61,251	1,572	2,522
Phoenix Assurance	576,884	11,934	9,202
Phoenix, Hartford	693,957	11,842	4,819
Protector Und.	155,992	2,538	2,231
Providence-Washington	329,837	6,679	4,382
Prussian National	1,349,620	15,589	13,039
Queen Ins. Co. of Amer.	1,121,244	22,161	10,013
Rochester-German	381,017	7,567	3,558
Royal Exchange	358,550	7,828	9,109
Royal	1,776,321	37,633	26,578
Scot. Union & National	739,282	13,703	5,081
Springfield F. & M.	1,297,969	30,594	17,018
St. Paul F. & M.	1,140,297	23,347	11,684
Standard	59,601	1,244	526
Sun of London	803,035	17,332	19,809
Sun of New Orleans	49,273	804	1,156
Svea	493,992	10,298	6,994
Teutonia	66,350	1,688	417
Union Assurance	591,862	13,057	7,364
Westchester	336,119	7,091	2,318
Western Assur	233,756	4,344	1,121
Williamsburg City	200,000	4,350	9,462
Yorkshire Ltd.	52,750	955	.. .
Totals	\$55,259,027	\$1,092,211	\$635,977
in 1911	54,737,832	1,118,652	997,630
Dutchess,	60,166	1,403	977
Girard	134,182	2,492	3,228
Home of Utah	759,351	12,739	6,833
Jefferson	336,932	6,906	4,401
Merchants Fire	251,938	4,482	4,210
North Coast	383,230	6,975	952
North River	413,645	8,308	8,272
Northwestern Mutual	276,348	36,799	13,796
Reliance	147,543	3,252	243

Company	Written	Prem's	Losses
Security	347,378	7,387	3,075
Western Empire	222,716	4,301	4,199
Grand Totals Idaho	\$57,978,153	\$1,169,311	\$647,086

Montana Fire Business in 1912

Present Population 430,000
Reported to The Coast Review

Company	Written	Prem's	Losses Incur'd
Aachen & Munich	\$ 564,108	\$ 11,201	\$ 11,767
Aetna	2,212,695	47,984	24,423
Agricultural	504,862	11,106	12,402
Alliance	580,371	12,569	8,886
American, N. J.	477,394	9,555	8,831
American Central	1,682,475	38,481	20,820
American Union	214,512	5,467	4,739
Atlas	1,363,070	28,919	22,342
British American	347,606	6,624	3,194
California	948,036	19,117	19,341
Caledonian	490,809	9,798	6,219
Citizens	1,067,264	18,805	11,498
Colonial	618,638	12,427	11,560
Com. Union Assurance	1,295,733	25,024	7,885
Concordia Fire	323,650	7,270	6,436
Connecticut Fire	1,910,695	42,292	26,012
Continental Fire	1,345,554	25,431	18,643
County Fire	330,679	7,805	5,809
Equitable	179,645	3,446	1,424
Fidelity-Phenix	1,232,025	26,058	13,985
Fireman's Fund	3,308,972	77,352	37,908
Fire Association	1,628,640	38,290	19,148
Franklin Fire	514,894	10,489	9,885
German American	1,558,716	31,053	20,794
Germania Fire	1,028,723	21,229	14,485
Glens Falls	400,000	8,812	6,379
Girard F. & M.	200,000	4,001	2,159
Hamburg-Bremen	78,140	1,237	55
Hanover	800,000	15,394	12,580
Hartford Fire	4,410,522	96,413	45,036
Home, N. Y.	3,297,878	58,020	22,961
Home of Utah	151,800	2,974	99
Imperial	264,285	7,396	4,069
Ins. Co. of North Amer.	1,526,733	37,890	21,793
Law Union & Rock	584,987	11,866	10,472
Liv. & Lon. & Globe	3,227,989	71,052	41,869
London Assurance	1,182,774	25,629	10,102
London & Lancashire	991,189	20,533	13,922
Mercantile F. & M.	116,381	2,973	2,310
Mercantile F. & M. Und.	248,580	4,893	2,512
Michigan F. & M.	373,171	7,626	5,280
Michigan Commercial	155,514	5,299	5,180
Milwaukee Mechanics	793,610	15,160	4,348
Minnesota Und	244,322	4,419	4,303
New Brunswick	446,094	8,818	4,164
National Fire	1,935,621	28,902	11,919
National Union	782,716	18,056	3,215
Newark	82,550	1,769	1,500
N. Y. Underwriters	981,656	19,665	9,661
New Hampshire	537,812	11,840	4,714
New Haven Underwrs.	80,000	1,488	2
New Zealand	770,697	15,773	6,779
Norwich Union	1,121,087	26,599	27,605
Northwestern National	810,848	16,341	8,076
Northern Assurance	1,742,013	37,201	26,628
North British&Merc'tle	1,430,346	27,579	16,586
Orient	518,043	10,841	10,682
Palatine	984,105	20,347	17,174
Pelican	199,437	4,116	2,686
Peoples National	700,000	16,988	6,703
Pennsylvania Fire	896,979	19,898	4,962

Montana Continued				Company		Written	Prem's	Losses
Phoenix of Hartford . . .	1,021,508	21,881	11,133	Commercial Un'n, N. Y.	139,016	1,601	39	
Phoenix Assurance . . .	900,373	20,049	14,270	Commonwealth . . .	361,222	5,544	3,679	
Protector Und.	692,301	14,464	5,971	Concordia Fire . . .	427,979	6,568	2,410	
Providence-Washington . .	501,729	12,625	11,701	Connecticut Fire . . .	760,183	11,359	621	
Prussian National	946,532	11,894	3,928	Continental	1,870,685	19,091	11,136	
Queen Ins. Co. of Amer. . .	1,515,026	31,059	23,584	County Fire of Phil. . .	388,325	5,426	1,790	
Rochester-German	455,239	9,453	6,665	Delaware Und.	15,500	142	..	
Royal Exchange	653,399	13,523	10,082	Detroit F. & M.	18,817	159	..	
Royal	3,093,626	64,431	35,426	Dubique F. & M.	1,000,498	12,848	8,161	
Scot. Union & National . .	1,283,199	28,532	23,034	Equitable F. & M. . . .	645,210	8,790	3,337	
Springfield F. & M.	2,048,696	48,606	26,892	Fidelity-Phenix	174,129	2,585	1,336	
St. Paul F. & M.	2,122,259	46,221	20,987	Fidelity-Phenix	1,182,857	16,515	2,659	
Standard	143,682	3,110	672	Fireman's Fund	953,519	13,361	5,729	
State Assurance	253,205	4,834	2,795	Fire Association	359,184	5,783	1,321	
Sun Ins. Office	1,336,299	29,103	12,222	Franklin Fire	211,865	3,531	824	
Sun of New Orleans	62,706	1,236	500	German Alliance	78,426	1,059	170	
Svea	689,911	14,776	13,292	German-American	1,322,507	17,446	4,912	
Teutonia	311,600	6,311	5,101	German of Pittsburg . . .	298,127	4,048	645	
Union Assurance	725,845	16,315	21,713	Germania Fire	938,538	11,983	2,181	
Vulcan	21,500	380	..	Globe & Rutgers	95,700	1,266	478	
Westchester	583,860	13,020	9,969	Globe Underwriters . . .	134,346	1,216	57	
Western Assurance	588,778	8,953	989	Hamilton	1,500	29	..	
Williamsburg City	250,000	5,300	2,712	Hartford Fire	3,670,108	54,714	29,435	
Yorkshire Ltd.	158,665	2,969	1,796	Hanover	150,000	2,257	1,409	
Totals	\$74,229,229	\$1,644,969	\$992,090	Home, N. Y.	5,207,340	53,937	43,889	
in 1911	73,532,615	1,615,571	688,707	Home of Utah	3,964,534	44,266	16,948	
Commonwealth	192,625	4,001	3,125	Imperial	410,963	6,225	3,679	
Detroit F. & M.	44,388	898	243	Ins. Co. of North Amer. .	424,062	6,745	323	
Firemen's	769,936	13,770	5,153	Law Union & Rock	223,820	3,475	116	
German Alliance	357,320	7,203	3,381	London Assurance	466,581	6,352	1,045	
Ins. Co. of Penn.	543,106	11,899	5,292	London & Lancashire . .	444,742	5,863	968	
Los Angeles	57,050	1,286	2,500	Liv. & Lon. & Globe . . .	1,905,500	16,027	3,667	
Liv. & Lon. & Globe, N.Y. .	1,110,972	2,239	1,931	Mercantile F. & M. . . .	14,200	319	40	
Merchants, N. Y.	206,330	4,023	592	Mercantile F. & M. Und. .	59,400	759	..	
Merchants, Colo.	291,240	7,157	3,970	Mechanics & Traders . .	83,800	864	10	
Minneapolis	97,265	2,487	298	Michigan F. & M.	77,952	925	..	
Montana	1,510,382	32,753	7,693	Milwaukee Mechanics . . .	1,317,144	16,528	5,812	
Nassau	206,292	4,324	1,031	Minnesota Und.	164,100	1,911	..	
National Ben. F.	286,434	5,953	2,125	National Fire	1,597,067	14,917	6,065	
New Brunswick	448,368	8,899	4,169	National Union	1,205,380	12,733	4,083	
Niagara	1,087,236	22,877	14,730	Newark	125,556	1,688	..	
North River	477,678	10,076	6,669	New Hampshire	624,573	6,160	1,648	
Northwestern	1,076,547	50,811	16,147	New Haven Und.	150,000	2,111	7	
Reliance	298,800	6,309	4,869	New Zealand	411,667	5,519	513	
Security	458,219	8,738	3,461	New York Underwrs. . . .	463,255	6,058	1,505	
Grand Totals	\$90,349,868	\$1,896,058	\$1,075,119	Niagara Detroit	182,371	2,322	204	
in 1911	84,546,004	1,795,521	752,638	Niagara Fire	457,134	6,258	602	
				Norwich Union	334,836	4,797	473	
				Northern Assurance	975,319	14,095	1,179	
				*North Brit. & Merc'tle . .	362,100	2,932	969	
				Northwestern National . .	1,211,197	12,515	3,268	
				Northern, N. Y.	97,750	1,123	..	
				Orient	190,578	2,819	1,435	
				Palatine	463,722	5,862	2,641	
				Pelican	34,833	474	20	
				Pennsylvania Fire.	158,941	2,240	2,470	
				Peoples National	198,638	3,194	632	
				Phoenix Assurance	444,155	5,892	2,157	
				Phoenix of Hartford	719,412	7,863	3,575	
				Providence-Washington . . .	372,740	4,081	1,585	
				Prussian National.	1,871,942	13,759	1,506	
				Protector Und.	149,820	1,467	297	
				Queen Ins. Co. of Amer. . . .	1,019,192	14,551	3,679	
				Rochester-German	233,097	3,893	3,248	
				Royal Exchange	526,850	5,596	4,561	
				Royal	1,819,765	24,460	4,495	
				Scot. Union & National . . .	480,899	5,993	357	
				Springfield F. & M.	843,988	13,516	6,279	
				Standard	122,050	1,534	32	
				State Assurance	61,401	852	139	
				St. Paul F. & M.	450,104	7,074	3,049	
				Sun of London	469,365	6,441	574	
				Sun of New Orleans	10,190	104	..	

Utah Fire Business in 1912

Present Population 418,000

Reported to the Coast Review

Company	Written	Prem's	Losses
Aachen & Munich	\$ 300,326	\$ 3,843	\$ 5,344
Aetna	690,171	10,653	804
Agricultural	373,025	4,409	1,382
Alliance	146,530	2,175	181
American, N. J.	363,675	4,378	6,080
American Central	494,181	7,609	2,034
American Union	154,340	2,026	52
Atlas Assurance	626,039	9,577	1,724
Austin Fire	372,777	5,571	1,860
British America	185,264	3,125	52
California	335,835	4,038	230
Caledonian	252,994	3,728	4,805
Citizens	365,331	5,599	2,461
Colonial	219,180	2,888	57
Com. Union Assurance	622,906	7,865	3,982

Utah Continued

Company	Written	Prem's	Losses
Svea	300,507	3,845	396
Teutonia	111,525	1,378	317
Union Assurance	439,197	5,804	1,378
Western Assur.	255,826	3,188	1,204
Westchester	219,484	3,329	846
Williamsburg City	400,000	6,229	1,493
Yorkshire	136,800	1,402	...
Totals	\$55,704,044	\$692,921	\$257,064
" in 1911	51,327,211	680,655	245,878

Company	Written	Prem's	Losses
St. Paul F. & M	72,104	1,658	1,216
Sun of London	461,896	11,410	2,313
Sun of New Orleans	18,196	763	848
Svea	213,087	5,357	2,369
Teutonia	107,575	2,123	2
Union Assurance	468,124	6,879	4,158
Westchester	105,779	3,094	999
Western Assurance	140,396	2,757	7,479
Yorkshire	2,000	50	...
Totals	\$18,904,273	\$406,652	\$217,801
" in 1911	18,507,176	410,743	177,949

Nevada Fire Business in 1912

Present Population 94,000
Reported to the Coast Review

Company	Written	Prem's	Losses
Aachen & Munich	\$ 61,940	\$1,436	\$ 161
Ætna	532,578	13,626	5,469
Agricultural	135,306	3,586	207
Alliance	84,085	1,933	502
American Central	75,901	1,820	14
American Union	34,062	1,051	19
Atlas	561,563	12,097	847
Caledonian	146,397	3,438	1,625
California	250,784	5,400	534
Citizens	235,401	4,752	1,340
Com. Union Assurance	201,675	3,837	5,220
Connecticut Fire	470,507	9,623	8,866
Continental	324,052	5,304	2,127
Delaware Und	14,450	555	...
Detroit F. & M	10,500	166	...
Fidelity-Phenix	161,043	2,847	244
Fire Association	458,105	12,083	4,173
Fireman's Fund	419,207	10,071	8,334
German Alliance	51,353	1,085	828
German-American	286,008	6,542	2,420
Globe & Rutgers	115,278	3,577	919
Globe Underwriters	26,850	514	...
Hartford Fire	1,805,292	36,629	21,617
Hamilton Fire	4,750	112	...
Home, N. Y	820,783	15,912	15,372
Ins. Co. of North Amer.	249,034	5,473	3,374
Law Union & Rock	139,580	3,660	2,241
Liv. & Lon. & Globe.	1,024,733	28,745	25,337
London Assurance	699,591	14,694	9,308
London & Lancashire	316,299	6,045	3,232
Mercantile F. & M	4,500	119	6
Mercantile F. & M. Und	1,750	32	...
Michigan F. & M	92,359	2,592	1,054
Minnesota Und	3,290	100	...
National Fire	1,191,055	14,883	3,575
N. Y. Underwriters	364,189	7,352	1,025
Newark	21,100	634	...
New Zealand	239,393	3,898	3,022
Niagara, Detroit.	133,930	2,460	5,792
Niagara Fire	635,300	13,574	12,355
Norwich Union	185,060	4,398	6,000
Northern Assurance	250,844	7,040	5,125
North Brit. & Merc'tle.	532,299	12,642	6,725
Orient	94,073	2,099	259
Palatine	188,444	4,085	6,398
Pelican Assur.	500	12	...
Pennsylvania Fire	415,964	8,583	2,805
Phoenix of Hartford	236,308	5,659	3,009
Phoenix Assurance	228,095	4,786	1,449
Protector Und.	23,881	338	1,335
Providence-Washington	57,525	1,346	16
Queen Ins. Co. of Amer.	843,207	20,729	2,857
Royal	1,416,909	34,774	4,677
Scot. Union & National.	223,247	5,319	1,643
Springfield F. & M	578,876	15,846	9,764

Colorado

Present Population 900,000
Reported to The Coast Review

Company	Written	Prem's	Losses
American	\$2,700,651	\$ 42,236	\$ 17,093
Atlas Assurance	3,039,097	48,013	13,994
British America	1,347,304	22,158	6,629
California	1,185,098	19,843	4,918
Colonial	1,239,998	19,400	6,668
Concordia Fire	1,270,250	17,892	11,585
County of Phila.	915,434	10,852	3,690
Continental	8,151,412	104,616	29,566
Delaware Und.	14,500	162	...
Dubuque F. & M	1,016,299	16,933	2,453
Fidelity-Phenix	4,083,923	75,635	27,427
Fireman's Fund	5,290,219	87,340	41,875
Fire Association	2,776,230	49,177	19,051
Franklin	1,293,586	20,997	10,391
German-American	5,881,765	82,187	19,729
German of Pittsburg	1,458,864	17,258	1,681
Germania Fire	1,817,625	25,801	8,515
Hamburg-Bremen	522,125	7,190	2,011
Hanover	19,425	30,658	5,152
Home, N. Y	9,543,098	102,777	32,923
Home of Utah	523,785	6,459	566
Imperial	3,646,227	56,486	17,467
Law Union & Rock	619,662	8,082	3,117
Liv. & Lon. & Globe.	8,299,070	88,155	17,396
London Assurance	2,122,609	36,130	5,347
London & Lancashire	2,010,020	30,090	6,936
Mechanics & Traders	607,466	7,702	1,061
Milwaukee Mechanics	1,121,939	18,052	10,932
National Fire	3,612,907	36,245	18,159
National Union	1,416,338	20,140	8,485
New Brunswick	117,035	2,861	3,126
New Hampshire	1,454,811	24,715	8,294
New Zealand	1,789,629	27,275	7,185
Northwestern National	3,741,957	41,167	7,998
Norwich Union	1,940,095	30,495	11,112
Northern	293,122	4,299	18
Northern Assurance	3,125,118	52,508	28,676
Northern, N. Y.	293,122	4,299	18
North Brit. & Merc.	3,362,731	48,926	18,367
People's National	224,565	3,713	3,632

To obtain a fair idea of the net experience for a year add to the losses 42 percent for expenses, fees, special taxes and increase in unearned premiums. Compare this with the net premiums. The difference, however, does not take into consideration the conflagration hazard, which in the past 50 years has averaged more than 13 percent. No less than 55 percent should be added to the loss ratio to determine the underwriting experience of companies paying losses in full, in the Pacific West.

Colorado Continued

Company	Written	Prem's	Losses Incur'd
Orient	832,026	13,474	3,965
Prussian National	2,154,000	21,791	10,789
Royal Exchange	1,581,949	23,307	6,265
Scott Union & National	1,773,944	33,026	5,468
Springfield F. & M.	755,164	14,893	167
Standard	227,022	2,713	56
State Assurance	399,681	4,146	1,848
Svea	1,187,705	17,894	5,866
Teutonia	547,265	8,488	3,055
Union Assurance Socy	525,304	7,278	2,145
Westchester	1,207,385	21,181	10,810
Western Assurance	1,635,822	18,395	5,109

Totals \$106,402,576 \$1,581,531 \$498,768

Aachen & Munich	\$1,457,278	\$ 19,876	\$ 8,679
Etna	3,896,227	58,993	22,180
Agricultural	1,465,400	16,288	6,424
Alliance, Pa.	833,205	4,591	2,483
American Central	2,769,215	32,328	13,706
Caledonian	2,862,824	41,281	16,654
Camden	277,364	10,331	5,512
Citizens	617,400	9,594	853
Com'l Union Assur.	2,939,852	49,836	13,414
Com'l Union, N. Y.	506,946	7,319	1,341
Commonwealth, N. Y.	562,795	7,161	425
Connecticut	2,000,312	30,647	14,089
Detroit	298,198	4,254	926
Equitable F. & M.	914,864	13,769	5,528
Federal	410,410	2,438	5,439
Firemen's, N. J.	1,852,307	27,360	3,591
Girard	1,372,631	17,476	7,407
Glens Falls	1,173,959	13,049	5,460
Globe & Rutgers	1,215,257	12,586	1,362
Hartford	12,088,984	142,917	66,274
Ins. Co. North Amer.	4,259,362	66,931	20,120
Merchants, N. Y.	272,176	4,247	1,574
Merchants, Colo.	3,226,963	49,934	19,531
Michigan F. & M.	484,857	6,284	2,836
National Ben Franklin	1,093,885	17,101	1,892
Newark Fire	70,400	860	
Niagara	1,994,212	32,671	10,534
North River	1,740,220	20,231	3,265
Palatine	2,263,457	28,701	10,168
Pelican	126,258	1,930	329
Pennsylvania	2,952,339	31,421	12,193
Phoenix Assur.	731,359	10,652	2,425
Phoenix, Hartford	2,075,837	32,206	4,443
Providence-Wash.	1,335,770	21,470	13,558
Queen	2,482,241	42,492	21,865
Reliance	1,250,986	16,908	4,112
Royal	3,485,477	52,285	25,785
St. Paul F. & M.	1,532,215	29,964	12,799
Security	1,559,804	24,060	4,095
Sun Ins. Office	1,869,096	26,913	7,796
Western, Pa.	551,849	9,396	4,769
Williamsburg City	1,793,202	23,654	4,353

Grand Total \$239,047,231 \$3,183,286 \$1,070,041

Texas

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Fireman's Fund	\$10,269,150	\$169,733	\$150,416

Arkansas

Fireman's Fund	\$1,439,369	\$36,649	\$39,548
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Other Oregon Fire Figures

Company	Written	Prem's	Losses
Century	\$ 342,320	\$ 4,291	\$ 1,198
City of New York	1,529,255	11,593	1,801
Franklin	274,335	2,978	271
General	679,680	5,429	3,055
German Amer., Pa.	107,586	1,617	
Greenwich	126,953	2,270	1,786
Ins. Co. State Pa.	4,267,759	35,926	16,436
Jefferson	2,037,694	3,772	22,403
Lumber	103,234	4,470	7,351
Merchants, N. Y.	555,705	6,108	4,234
Nationale	218,583	2,780	
National Ben Frank.	465,575	6,408	1,773
National Lumber	240,304	2,970	1,756
New Jersey	159,463	1,359	7
Nord Deutsche	346,590	4,063	4
North River	690,390	8,400	4,763
Pacific	187,325	3,405	2,034
Pacific States	4,361,403	40,432	12,501
Reliance	660,539	8,107	2,092
Rhode Island	208,965	2,849	330
Security	859,055	11,258	8,640
Stuyvesant	1,323,687	17,516	6,633
Union Fire	211,261	2,356	298
United Firemen's	403,731	5,299	400
Western	1,420,543	11,542	4,591

Grand Totals . . . \$193,883,991 \$2,309,630 \$1,129,790
Average loss ratio, 49 percent.

Mexico

Reported to the Coast Review

Atlas Assce Co	\$	\$ 583	
Globe & Rutgers	3,500	254	884
Niagara	5,000	290	

Lower California

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Atlas Assurance Co	\$	\$	\$
Commercial Union	159,951	4,419	4,860
Connecticut	2,500	206	860
Fireman's Fund	1,378	41	65
Newark	4,500	65	
New York Und.		176	
Palatine	75,599	1,867	160
Springfield	42,922	878	410
Westchester	2,500	113	

Total Lower California \$289,350 \$7,765 \$6,355
" in 1911 347,026 7,823 3,945

Canada

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Fireman's Fund	\$1,084,902	\$7,238	\$10,239

Alberta

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Connecticut	\$ 669,336	\$ 11,310	\$ 1,186
Detroit F. & M.	3,500	29	
Niagara-Detroit	69,064	1,443	
Niagara	467,249	9,141	1,073

Saskatchewan

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Niagara-Detroit	\$ 47,411	\$ 918	\$ 605
Niagara	279,529	3,224	5,899

The Home Will Write Ocean Marine Business

The Home of New York will write ocean marine business. This new department will be under the management of Smith & Hicks.

Home of New York Will Double Its Big Capital

From \$3,000,000 to \$6,000,000 capital, on July 8. This is the vote of the directors of the Home Insurance Company of New York. The new capital will be taken from the net surplus account, thus leaving the policyholders' surplus as it is, in excess of \$19,000,000.

Title of the New Compensation Act of California

An act to promote the general welfare of the people of this state as affected by accident causing the injury or death of employees in the course of their employment, by creating a liability on the part of employers to compensate such employees and their dependents for such accidental injury or death irrespective of the fault of either party, and providing the means and methods of enforcing such liability; and creating a "state compensation insurance fund" to insure employers against such liability and providing for its administration and regulating such insurance by other insurance carriers; and requiring safety in all employments and places of employment in this state and providing the means and methods of enforcing such safety; and requiring reports of industrial accidents; and providing penalties for offenses by employers, their officers, agents, and by employees and other persons and corporations; and creating an industrial accident commission, providing for its organization, defining its powers and duties and providing for a review of its orders, decisions and awards; and appropriating moneys to carry out the provisions of this act; and repealing all acts and parts of acts inconsistent with the provisions of this act.

C. J. Stovel has enlarged his office, which now takes in much of the ground floor of the Stovel building at the S. E. corner of Leidsdorff and Sacramento streets. A branch office is also maintained in Los Angeles.

Property Underwriters Association

The California state insurance department has licensed the Property Underwriters Association of San Francisco, which is authorized to write automobile insurance and give complete coverage; also motorcycle insurance; and also fire insurance. Agents will be appointed generally in this field.

The Property Underwriters Association is an interinsurance organization by General Agent C. J. Stovel, which has a reinsurance contract with a British company. For the present the reinsurer takes over practically all the business written. Mr. Stovel is manager and attorney. The English form of policy will be adhered to in the main.

California Bills Signed

Sacramento.—Gov. Johnson has signed the following bills:

S. B. 617—Amending corporation license tax act of 1905.

A. B. 1561—Providing for printing notices on insurance policies of future assessments.

A. B. 1682—Repealing 1909 corporation license tax law.

A. B. 1740—Providing new law relating to time for notice of loss in casualty or accident insurance policies.

A. B. 2095—New motor act governing automobiles.

S. B. 1774 abolishing the industrial accident board and conferring its powers on industrial accident commission.

A. B. 1550 provides for commission to investigate old age insurance and mothers' pensions.

The Associated Underwriters, Inc., is raising the dickens up at Redding, Cal., and rates have gone glimmering and the local agents association looks like a dilapidated hat.

San Francisco may maintain only one fireboat for harbor-front protection hereafter, as the governor refused to sign the bill appropriating money for half the cost of maintenance of two fireboats.

Young woman policy-writer wanted. Apply to C. R.

General Agent Hewitt is in Portland.

California Governor Vetoes Anti-Rebate Law

In our May issue we printed in full the anti-twisting and anti-rebate bill which passed both houses at Sacramento, in the belief that of course the governor would sign a measure which was probably beneficial and was certainly harmless, and which had the support of brokers and agents generally. But at the last moment the bill was vetoed.

Why was it vetoed? The real reasons are not on the surface. We understand that the governor said Insurance Commissioner Cooper, who is credited with drafting the measure, urged the governor to withhold his approval because of some defects found in the bill after its passage. We hear, also, that a number of life and fire agents and business men in Los Angeles, who favored rebates, etc., were arrayed against the bill and urged the governor to veto it.

The bill prohibited estimating future dividends, or the making of an incomplete comparison of policies.

The law would have been better than no law and might easily have been amended at the next session of the legislature.

Cash Surrender Value

The attorney-general of Minnesota has given the tax commission an opinion to the effect that the cash surrender value is not taxable as personal property as long as the policy is in force.

In this case the companies intervened in behalf of their policyholders. Among the attorneys who appeared was Alf. Hurrell, attorney of the Life Insurance Presidents of New York.

—Geo. W. Turner, chairman of the board of directors of the Pacific Coast Casualty Co., is now in charge of the executive department, pending the election of a new president. The new interests in the capital of this well-established company contemplate some changes which will doubtless contribute materially to its progress in its home field.

—The rumor that the National Surety is to be merged with another company is denied as a pipe-dream drempt in Baltimore.

GENERAL

—General Agent C. A. Henry is in New York.

—State Agent Fores of the Scottish Union is visiting the East.

—General Agent Irving of the Phoenix Assurance and Union Marine sails about this time from New York for London.

—The Williamsburg City is issuing a special tourist floater policy, which also covers the fire hazard of personal effects in transit or in laundry, or in automobile, or in hotel, or railway station, or on dock.

—The Law Union & Rock's Pacific department, under the management of H. H. Smith, will continue to report to the home office in London. This company has some \$48,000,000 assets.

—Secretary Weinmann of the Fireman's Fund is away on his first visit to Europe. He went via the Canada route to Montreal, thence down the noble St. Lawrence, past Newfoundland, on to London. Mr. Weinmann expects to be absent some four months.

—Field Men's Notes.—Douglas Parker, special agent for the Geo. H. Tyson general agency, is convalescent, after an operation for appendicitis. Mr. Parker expects to resume work in the Coast counties in about ten days.

—The Manhattan Life has an agency contest on, in which the winners will receive free transportation to and from San Francisco during the fair in 1915. This generous offer should spur the agents to their highest efforts. For a visit to this Coast, and the views of its scenic wonders and handsome cities and the world's fair inside the golden gate, are among the richest treats possible.

—George Crux, who has recovered from his recent attack of pneumonia, recently declined an offer to take the road in other territory. He prefers the Coast and especially California. His contract with the Vulcan expires this month and will not be renewed as the main office has been transferred from Oakland to San Francisco, which means the consolidation of the two offices. Mr. Crux is now open to other engagements.

**American Fire Insurance Business
in 1912**

According to the New York State Insurance Report, premiums and losses in the United States of companies reporting were as follows:

	Premiums	Losses
New York companies . . .	\$79,160,808	\$41,061,811
Other American companies . . .	137,805,957	73,952,692
Foreign companies . . .	90,320,548	46,902,566
	<hr/>	<hr/>
	\$307,287,313	\$161,917,069

The average loss ratio was 52.8. These are not losses incurred, and make no allowance for the large increase of unearned premiums.

In California

Nearly everywhere the reservoirs have been greatly depleted by the two years of light rainfall, which was only half the normal amount.

A terrific thunderstorm set fire to the trestle leading to the bridge across the river at Elmore, Cal., seven miles north of Kennet, June 4.

Miscellaneous

Reported to the Coast Review

Company	Written	Prem's	Losses Incur'd
Commercial Union . . .	\$ 6,170	\$ 184	\$ 290
Palatine . . .	15,830	289	178
Union Assee Society . . .	2,763,791	9,827	7,426

General Manager Alexander Mackay of the Law Union & Rock is visiting this country and will appoint a new United States manager for the company.

Republic Underwriters

The Austin and the Commonwealth, of Dallas, Tex., do business in this field as the Republic Underwriters. Their joint policy is guaranteed by \$500,000 paid up capital, \$221,129 net surplus, making \$721,129 policyholders' surplus. The proportion of gross surplus to gross funds is large, being considerably more than 60 percent. For every dollar of liabilities there is about \$1.60 of assets. Deriving much of the business, from Texas, the Republic Underwriters combination reports a loss ratio somewhat in excess of the American average yet showing

a small underwriting profit and some increase in premiums in 1912. Some increase in business, with an underwriting profit, is also reported for this field, which is under the management of Anderson & Edwards of San Francisco.

Sadly Deficient in California Rainfall.—San Diego, Independence and San Francisco, only half normal rainfall this year. Sacramento less than half. Fresno, two-thirds normal. San Luis Obispo, little more than one-third normal rainfall. Los Angeles, as 13 to 16 normal, but 5 inches fell in one day. Red Bluff, three-quarters normal. A very bad year, following one just like it. Water supplies already low. In Santa Clara valley trees are dying, wells are being dug deeper, even as low as 300 feet. Some places in the San Joaquin and Sacramento valleys wide areas are as dry as an old bone.

The address of J. C. McCaughern, rating expert and district secretary of the Board of Fire Underwriters, before the insurance committee of the senate at Sacramento, on S. B. 896, was a clear explanation of the Board's services to the public and a convincing argument against the bill.

Tests.—The Underwriters Laboratories at Chicago will hereafter test columns with a weight of some 200 tons, under heat and water conditions equal to that of a burning building.

Private Water Supply Failed of Course

Ann Arbor, Mich., May 28. —The water plant was not connected with the hall of the University of Michigan, men being employed on it to increase its efficiency. When fire broke out today the 3,000 students with their buckets could not save the hall.

The evils of rule by professional politicians are just now best proved by the example of Missouri. The state officials are trying to make votes and they don't care a tinker's dam for the protests of business men—who are not numerous enough to affect ballot results.

LIFE INSURANCE

California National Life

This San Diego company increased its new business last year, and the insurance gained was scarcely less than the total amount written. Of the \$314,747 assets, \$289,236 represents the unassigned funds and capital, this is an increase. The California National is now in its third year.

The United States Supreme Court on Bankruptcy and the Life Insurance Policy

Policies of life insurance on the life of the bankrupt which do not have a cash surrender value at the time of the bankruptcy, available as a cash asset, do not pass to the trustee in bankruptcy under Bankr. Act, § 70a, subd. 5.—33 S. Ct. 564.

The absolute assignment by a bankrupt of life insurance policies does not exclude them from the operation of the proviso in Bankr. Act, § 70a, subd. 5, that a bankrupt may pay the surrender value of policies having such a value to the trustee and continue to hold them free from the claims of creditors.—Id.

The time when the petition in bankruptcy is filed fixes the cash surrender value of insurance policies mentioned in the proviso in Bankr. Act, § 70a, subd. 5, authorizing a bankrupt to pay the cash surrender value of policies to the trustee and continue to hold them free from claims of creditors, so that the death of the bankrupt between the filing of the petition and the adjudication does not make the proceeds of the policies above the cash surrender value assets in the hands of the trustee.—33 S. Ct. 568.

The right of a bankrupt under Bankr. Act, § 70a, subd. 5, to pay the trustee the cash surrender value of insurance policies and to hold them free from the claims of creditors was not extinguished by his death after filing the petition and before adjudication, and the right may be exercised by his executors.—33 S. Ct. 570.

The Actuarial Society of America enjoyed its annual feed in New York last week.

Emory McClintock read a paper on Charles Gill, the first actuary of the Mutual Life and compiler of a mortality table used by the company for many years. The American Experience Table was indebted to this Englishman.

A Successful Young Life Company

The West Coast Life of San Francisco had \$217,110 more income than disbursements last year. This is a good showing for a young company writing an increase of industrial business. This company is gaining all along the line—in reserves, in assets, in new business, in insurance in force, in premiums, and income. At the present writing the West Coast Life has some \$20,000,000 insurance in force.

The Life Insurance Congress at Seattle

Oregon, Washington, British Columbia, Alberta, Montana, Idaho and Utah were represented at the convention of life men in the big Sound City, June 3 and 4. President Nadeau of the Puget Sound Life Underwriters' Association welcomed the "congressmen," who numbered nearly or quite 240. They closed the first day's session with a banquet in a new rathskeller. Among the delegates was a woman—Miss Cora Gustison, agent for the Mutual Life at Everett.

The principal speaker and guest of honor was Neil Sills, president of the National Association of Life Underwriters. Other speakers were too numerous to be named here.

Portland was selected for the congress next year.

Among the subjects discussed at the recent meeting of life men in Seattle were these:

"How to Secure and Retain Good Agents," W. H. Shields, associate manager Mutual Life, Spokane, Wash.

"Agent's License: Protection to Agent or Public," William Peterson, Northwestern Mutual, Tacoma, Wash.

"The Successful Agent," D. B. Morgan, general manager Northern Life, of Seattle.

"Block Signal in Life Insurance," William Goldman, manager Manhattan Life, Portland, Ore.

"What the Young Company Stands For," W. M. McConnell, general manager Western Union Life, Spokane Wash.

"Competition: Where to Stop," Carl Widmann, Equitable, Tacoma, Wash.

"Competition v. Cooperation," Malcolm Hughes, manager Travelers, at Seattle.

"Life Insurance Advertising," J. Fred Braid, advertising manager Daily Times, president Seattle Press Club.

"Agent and Citizenship," Neill Sills, Richmond, Va.

"How Much Gratuitous Work a Manager Should Give an Agent," J. C. Reid, Travelers, Seattle.

50 Years Old

June is the 50th anniversary month of the Travelers Ins. Co. In this month General Manager Preston celebrates his 48th year with the company and his 76th birthday.

Royal Arcanum

A member of this order paid \$4,135 assessments on a benefit certificate for \$3,000. He began in 1878 with \$45.50 a year and finished in 1912 with \$192.96. Generally there was a yearly increase.

The Union Pacific Life of Portland has a new president, the former treasurer, F. H. Wienehen, succeeding Mark T. Kady, whom the state insurance commissioner does not like. The secretary is J. S. McClellan. Mr. Kady, who for long represented the Mutual Reserve, will have nothing to do with the management of this new company. We hope that henceforth there will be plain sailing for this ship on the shivery seas of life insurance.

Past 40 Folks Have Less Life Expectation Now.—Thirty-one years ago, according to the New York department of health, a child of 5 could expect to live only 41 years. Now, according to new mortality tables, a child of 5 can expect to live 52 years. This increase is due to the sanitary fight against various ills. But, on the contrary, a man past 40 can now expect to live only 22 years and 1

month, whereas thirty-one years ago gave him an expectancy of 22 years and 6 months.

Asks Amendment of Income Tax Measure

The Mutual Life Insurance Company has filed with the senate finance committee at Washington a forceful brief regarding the income tax as affecting mutual life insurance companies. We quote:

"We, therefore, claim that a mutual life insurance company should be exempt from taxation; first, because a tax on a mutual life insurance company is a tax on the thrift of its members; second, because it is a direct tax on the annual contribution made by the policyholder for the benefit of himself and his coinsurers; and third, because it is a tax on the policyholders' property because neither the company nor the policyholder is allowed to deduct that portion of the premium payment which is actually returned to the policyholder.

"The so-called 'surplus' of a life insurance company is not composed of profits or gains from carrying on a business."

On the second point it is stated:

"Without prejudice to our claim for the entire exemption of life insurance companies conducted on the mutual plan, if such exemption is not granted, we urge that premiums returned to policyholders as so-called 'dividends' should be deducted from the company's taxable income."

The Union Mutual Life recently paid death claims in this field as follows: For-dyce S. Osborn, Marvin O. Crowe, Alameda; Gust. T. Kendstrom, Anderson; Sequel Aroz, Angel's Camp; James Oates, Sacramento; John P. Jones, Los Angeles; Neil J. MacLeod, Wm. P. Harold, Richard M. Grundel, San Francisco; Samuel S. Walker, Denver; James Lardlair, British consul, Portland; Geo. A. Forbes, Ogden; James H. Yeates, Olympia; Albert S. Howard, Stanwood; Ludolph Abrams, Laramie. The policy on the Los Angeles capitalist called for \$22,129.

The Prudential of New Jersey leads in number and amount of industrial policies written last year.

Bankers Life Company

This 33-year-old Iowa company maintains its low rate of mortality and economy of management and continues to pay all claims as promptly as ever. The gross assets of the Bankers Life are over \$19,500,000.

The whole amount insured is \$457,000,000. The amount written last year, paid for and on the legal reserve plan was \$19,199,500.

Surplus funds are increasing.

The management has an excellent reputation for honesty and conservatism.

The representatives of the company in this field are L. B. Collins in San Francisco and A. C. Stilson in Los Angeles.

When it is considered that this company now writes no business on the assessment plan, and has created a new organization on the legal reserve plan, the showing for its first year is an excellent one. The total of \$18,000,000 new business, not including renewals, with what is virtually a new plant, is surprisingly and very creditably large.

Out of 212 American life insurance companies, only 17 exceeded the Bankers Life of Des Moines in net new legal reserve business written in 1912. These 17 are much older companies. It is therefore a splendid showing of new business which the Bankers Life makes, and only a blackmailing insurance journal will criticize it.

Life companies with more disbursements than income in 1912 are American, American Bankers, Detroit, First National, German-American, Indiana National, Inter-Southern, Lone Star, Marquette, Maryland, Mid-Continent, North State, Our Home, Toledo, Two Republics, United States—16, or nearly 14 percent of the whole.

The Provident Life & Trust surplus funds as regards policyholders is about \$4,000,000 less than a year or so ago.

Seventy-nine American life companies report less surplus funds than a year ago. This is more than a third of the total number.

The Missouri State Life has a new actuary. We hope he will make it a safe company—and certainly no more top-heavy.

Notre Vie Est Courte

Human life is indeed of short duration. In pre-historic times the average longevity probably did not exceed 20 years. In the ages of no sanitation, of no vaccination, and of unrestricted plague, the average was only 25. Fifty years ago the available statistics indicated an average human survival for 33 1-3 years. Today, with vaccine and serum and quarantine and sanitary laws and widely diffused knowledge and perfect surgery and medicine that is more a science than an art, the average longevity is 40 years.

Our life is short indeed!

And life insurance, though longevity increases, is made more necessary than ever because of advancing cost of living for the survivors and greater competition for the means of living.

The Aetna Life's income over disbursements in 1912 was \$3,200,413 but its dividends to policyholders were only \$1,275,903 (11 percent). The unassigned funds increased nearly \$2,700,000. Premium reserve increased about \$1,500,000. These figures indicate that this company could and should double its dividends to policyholders.

The Union Mutual Life of Portland, Me., is writing an increased amount of business, and adding to its reserves, assets, surplus, and outstanding insurance. The signs of prosperity are visible in every department of the annual statement. This company is 65 years old and has an excellent record and an able and conscientious management.

According to the Spectator's life chart there are 24 companies operating in Canada, of which only 2 are British. Of the 22 Canadian, all are stock but one. The largest has \$1,000,000 capital; the smallest, \$35,400. The largest has \$48,301,000 assets.

Your prospect prefers the office of speaker rather than auditor. Listen to him respectfully. Besides, he may teach you something, if nothing more than the art of self control, which every good listener must practice.

Did anybody ever see a New York Life man at a meeting of cooperating agents or managers?

90 Per Cent Increase

The Northern Life of Seattle has increased its new business 90 percent this year.

A Few Suggestions to Young Salesmen

The following paragraphs are taken from a mercantile paper. The suggestions apply fairly well to life insurance salesmen:

If you don't get an order try to leave on friendly terms.

It will help your memory to keep all this data on a card for future use.

Never do anything to get an order that will lower your opinion of yourself.

Under no circumstances start the morning without a clean shave.

Never mention the names of your competitors or their goods voluntarily.

Try to learn something of the buyer's habits and dispositions before calling.

Don't offer to shake hands with him unless he offers the opportunity.

Don't sit down unless you are invited, or without asking and receiving permission to do so.

A business card which will tell who you are or a statement to that effect should be given immediately.

Always be willing to learn something new. Never get a swelled head and think you know it all, because you will never know it all.

Get as close as possible to your customer and work with him.

If you get an order see that it is fulfilled as promised.

The big prizes nowadays go to the men who "know how."

The successful salesman always speaks in the highest terms of the firm he represents.

The good salesman is never through learning. When he gets through learning he ceases being a good salesman.

Your appearance has everything to do with the first impression one has in meeting you. No one can make a good appearance with bad-looking-clothes.

If you are turned down unceremoniously on the first visit try to think of some reasonable excuse for a return visit before leaving town.

Most people like those who ask them questions about things on which they are well informed. When you ask such questions be sure to be an attentive listener.

Mortality Ratios From 70th Annual Report of Mutual Life Ins. Co.

Insurance reports and other statistical documents publish from time to time various mortality ratios, the only one of any value being the ratio of actual to expected mortality—that is, the percentage which the actual mortality incurred in any year is of the amount which was to have been expected for that year according to the mortality table. This ratio is of real value in the study of a company's own experience, comparing the ratios of one year with those of another in order to note the improvement made, or otherwise. As a basis of comparison between companies, however, this ratio is apt to be, like all other ratios, more or less misleading because of the different conditions prevailing in the several companies. In order to make a proper comparison between two companies an analysis would have to be made of the corresponding business of the two companies—the new business being compared with new business and old business with old business—and the expected mortality would have to be calculated by the same table in each case. In a single company the proportions of new and old business do not vary materially, one year with another, and therefore if the amount of insurance in force is great enough to secure the full effect of the law of average—say a thousand millions or more—a decreasing or but slightly fluctuating ratio through a series of years will be of marked significance. On the other hand, the varying ratios of several years in the case of a company with but a few millions of insurance in force would mean but little. The saving from favorable mortality, however, is only one of the several sources from which dividends arise.

Industrial insurance is now so competitive as to benefits and bonuses that any new company would probably be unable to succeed. Instead of more companies, there will probably be fewer.

LIFE, CASUALTY, ETC.

Can You Beat It?

The most independent man is the successful life insurance solicitor. His field is wherever his language is spoken; he meets the best people on earth; he is his own boss; and his compensation is limited only by his time, his talent and his industry. Even his vacations and his recreations increase the opportunities for success.

A Billionaire Indeed

The Mutual Life Insurance Company has paid to its policyholders more than a billion dollars in death claims, endowments, dividends, etc. It is now paying to its policyholders in dividends or "refunds" over a million and a half a month on the average. This is equal to \$50,000 every day, including Sundays and other holidays.

Oregon Life Association for National Meeting in San Francisco in 1915

At the meeting held May 29, in honor of the visiting president of the National Association of Life Underwriters, the Life Underwriters Association of Oregon passed resolutions praising the International Exposition to be held in San Francisco in 1915 and complimenting the citizens of California for their enterprise and liberality in support of this great project; and asserted that it was the sense of the association that the annual meeting of the National Association in 1915 should be held in San Francisco during the holding of the World's Insurance Congress. A formal request to that effect has been presented to the national organization.

Horse Discharges Revolver

Stockton, Cal., June 12—A policeman's horse kicked him over a hip-pocket and discharged a pistol. The ball passed down through the man's leg.

Panama-Pacific Fair.—More than 6,000 applications for concessions in the Pleasure Zone have been made; 75 have been granted, calling for several million dollars expenditure. A prize for a name for this zone is offered.

Malingering Has begun Under the State Liability Law

The German experience of fraudulent pretense of sickness and injury, and the general practice of malingering, under the sickness and accident laws of that empire, will of course be repeated in this country under similar liability laws. The California state accident board has already found it needful to officially recognize and specify "malingering or simulation," which is to the compensation law what arson is to fire insurance.

A recent claimant, only slightly injured, was offered light work which a physician testified he could easily and safely do. The workman refused to do this work, as he preferred the easy job of drawing pay under the liability act. The state accident board, however, very justly deducted from such compensation the weekly sum he could have earned by doing the light work offered him by his employers.

Catching a Falling Dish Costs a Life

Pasadena, Cal., June 6.—Several weeks ago Miss Jessie Stewart suffered a peculiar triple accident, breaking foot, leg and arm while trying to prevent a falling dish from crashing to the floor. Today the girl died from the effects of the accident.

Vice President Roche of the Manhattan Life has accepted the chairmanship of the Panama-Pacific committee on participation and attendance of actuaries at the World's Insurance Congress in 1915. All Roche has to do to persuade every actuary to attend is to tell what he knows about San Francisco.

The Manhattan Life continues to make progress. The new business received during May was 142 percent of that received during May of last year, and was moreover greater than the amount received during May of any year since 1906. Vice President Roche says that June will surpass May as to volume, and will without doubt be the best month of the entire year 1913. June has been designated Lovejoy month.

Double Liability Decision

Insured having been injured by an explosion, which preceded a fire in a flooded building, was not injured in consequence of the burning of the building while he was therein, within the terms of a double liability clause in an accident policy.—Maryland Casualty Co. v. Edgar, 203 F. 656.

Insured went into cellar to investigate odor of gasoliné. He lighted a match and there was no explosion, but when he dropped the "live-coal" stick it fell to the flooded floor and instantly there was an explosion. He was badly burned and subsequently died. The building was damaged by the fire which ensued but the insured made his way out.

Beneficiary sued for double benefits under the policy clause giving such benefits for injuries in consequence of the burning of a building while the assured is therein. Defendant insurance company refused to pay double benefit. The federal court decided for plaintiff, but, as above, the court of appeals reversed in favor of the company.

The United States Casualty Co., has been on the border line of underwriting loss in the past three years. The surplus is kept at a fixed figure, by means of a shifting reserve for losses. Stockholders are paid 10 percent dividends. The present president is The Glad Hand Artist who has a Lott of self-esteem. He does a liability business with 61, 67 and 61 percent loss ratios in the past three years. His company is the old original Pitcher's U. S. Mutual which had the Architect Page Brown runaway death claim which was never paid, in San Francisco. The physicians kept poor broken Brown alive but unconscious for 91 days with powerful stimulants. The company then denied liability and our memory is that it won on a technicality. The Coast Review too had a bill against the company which was never paid either. The leopard may change its name but not its spots.

The Standard Accident appears to be making money in its liability department.

John Ker, general agent of the Globe Indemnity Company at Portland, is merging his business with Henry Hewitt & Company,

the old established insurance agency, and the Globe agency is being transferred to Henry Hewitt & Company. Mr. Ker will manage the casualty and surety department under the merger. Henry Hewitt & Company have never before represented a miscellaneous line company.

American Casualty, Fidelity, Etc., Figures

Total Assets	\$161,885,625
Total capital	37,942,525
Net surplus	38,073,547
Resisted claims	3,295,157
Premiums	110,583,013
Losses paid	42,972,832
Dividends to stockholders	5,832,307
Expenses	46,104,813

The above figures are compiled from advance figures of the New York state insurance department.

The two general agents of rival accident companies lived in the same big hotel. One wrote a \$10,000 policy on the landlord. Later he told me gleefully how he had "scooped" Blank, who could easily have written that insurance first, he being a guest first, "Oh," said Fast, "in this business you must keep awake and get there first. Blank's a good fellow but he's slow." A few months later the insured was accidentally killed. I then asked B. how it came about that his company had no insurance on his landlord. "Because," he answered, "I knew Wright was a bad risk physically, and was likely to have a fall any time. Indeed, he asked me to write him for \$10,000, and I refused to do so. Wright was so angry that he wouldn't speak to me for a month or so."

A California accident board commissioner was struck down by a labor claimant who was not satisfied with the sum awarded him for injuries in a mine. The assailant's name is Valado Pendo.

The control of the New Amsterdam has changed. Baltimoreans are in control. The company has withdrawn from the Casualty Ins. Exchange.

Health, courage and industry are a trio which corners all.

SEVERAL and SUNDRY

The new Wisconsin liability law fixes a flat rate of compensation.

About the only business which doesn't know the cost of its "goods" is insurance.

We continue printing our "Looking Backward" items of interest to the older insurance men. Can you not suggest a more fitting caption? Would you prefer "How Time Flies."

The Teutonia, it is said, was paid 42 percent of its reinsurance fund. This is a large proportion or commission, and indicates choice business and correct rates. The Teutonia has been making an underwriting profit right along. The stockholders, it is believed, save their investment and something besides.

A freak insurance bill, as a model for the states, has been introduced in the congress at Washington. Realty is to be limited to a fourth of the policyholders' surplus, dividends are not to be paid unless earned during the preceding period, no other insurance stock must be owned, there must be no membership of an agreement, a compact, board or union (excepting a labor union of course).

Old Sayings Explained

The old saying, "set the Thames on fire," is said to have been originally "set the temse on fire." Temse in olden times was a wooden sieve. Hard labor would by the friction of constant turning, set this wooden flour sifter on fire. Hence, our saying "set the Thames," or "the river" on fire.

In olden times, too, a piece of vine with bunches of grapes clinging there-to was hung outside, by or over the door, of a wine-shop. Hence the expression, "Good wine needs no bush."

Chicago has a new life company—the Farmer's National Life. Somebody wants a job. Poor farmers!

Would it not be perfectly right for fire insurance men to take no part in the reduction of the fire waste, nor work for improved fire protection, as insurance men at least, in those states which prohibit rating and other organizations?

The writer once visited a small town of 500 population in Kansas after it had been visited by a small tornado. The wind had seemingly dropped from the skies and then rebounded and ricocheted elsewhere. A few small houses had been damaged but the curious fact was that of a series of frame stores on the one business street only one store had been disturbed. This store had been bodily lifted, turned a quarter round and dropped half way across the street. The adjoining stores and those across the street were unharmed. That's the way an earthquake acts.

Queer times these, with legislation swinging between tyranny and insanity, and newspapers vieing with demagogues in stirring up the passions of the mob. It is not unrest, it is hysteria: and at bottom there is envy and hate and a lawless spirit which would pull down the pillars of society and scatter the goods of the industrious. It has been said by a philosopher that matter and events move in a circle, and that human government and society and nature return to the place of beginning. As in the "beginning" so once more in the "ending." This does not seem a profound philosophy but, like error generally, it no doubt contains the germs of truth. Despotism and anarchy may again come through democracy and socialism. Get your gun, Johnnie.

Some American Liability Figures

Business Seems Unprofitable for 1912

Premiums	Losses	Ratios
\$ 4,567,969	\$ 2,861,003	63
56,298	40,197	71
1,288,249	1,067,946	83
2,043,412	1,507,675	74
5,420,734	2,422,268	45
3,388,660	1,763,478	52
1,006,841	668,301	67
1,717,269	897,165	52
2,967,477	1,830,554	62
2,834,114	1,623,235	57
2,496,293	1,479,261	60
218,244	197,121	90
1,477,719	791,799	54
7,559,735	4,488,232	59
969,929	581,341	60
499,024	336,318	67
<hr/>	<hr/>	<hr/>
\$38,511,967	\$22,555,892	58

The above figures of companies are compiled from the very excellent Argus Casualty Chart (by Rollins Pub. Co., Chicago, price 25 cents). Every company whose 1912 totals are given has been in the liability business more than ten years.

Note that of these sixteen companies only one had a loss ratio less than 50 percent last year.

The average loss ratio was 58.5 percent.

Nearly all reported increased liability premiums.

The liability business is increasing. The net increase in premiums was about \$6,500,000. Much of this is unearned.

The average ratio of losses paid to premiums earned was 59 percent.

What is the average expense ratio?

It is certainly not less than 40 percent. It is probably 45. It may be 50.

The above tabulation of loss experience bears out this journal's repeated warning that liability rates may be inadequate. Expenses are high, but the states' insurance laws will not permit the companies to combine to reduce those expenses. Losses are high, but juries and courts combine to hoist damages in suits against employers; and governors proclaim against "the greed of the employers' liability companies."

Present claims and losses are known but

the claims and jury awards and court judgments of the future are unknown.

Business that today seems not unprofitable may have liabilities to be determined in court several years hence, which may turn misleading figures into actual losses.

Are the present legal reserves sufficiently high?

Is every going liability-writer actually solvent?

—London & Lancashire Fire Ins. Co.—The report for the year 1912 states that the net premiums in the fire department amounted to £1,645,257, and the net losses, paid and outstanding, to £83,424. The fire fund reserve for unexpired risks has been increased from £643,000 to £658,500, and the sum of £263,858 has been transferred to profit and loss account. The net premiums in the marine department amounted to £210,876, and the net losses, paid and outstanding, to £140,600.

—The Netherlands Fire of the Hague reports \$4,972,600 assets, of which \$500,000 is paid up capital and \$2,000,000 is shareholders' liability. The life department funds are \$969,090. This leaves the funds and guarantees applicable to fire claims some \$4,000,000. Net fire prems. in 1912 were \$988,470 and losses were \$475,480. Among the year's receipts was \$214,395 premium on 2,000 new shares of capital.

—The president of the Equitable Life, in an open letter to the author of the income tax bill, calls attention to the fact that the life insurance policyholders' premiums in this country are specially taxed \$12,000,000 by the various states.

—We have no apology to make for giving considerable space to the Missouri matter. The companies' retirement after the demagogues passed a foolish and unjust law we regard as the most important event in the history of fire underwriting.

—A note given for the first premium on an insurance policy was not collectible where the applicant canceled his application before acceptance by the insurer. — Wheelock v. Clark, 131 P. 35.

**San Francisco Casualty Underwriters'
Luncheon to Visitors**

Messrs. Holland of the Royal Indemnity and Falvey of the Massachusetts drifted into San Francisco together, arm in arm as it were, and one was the lion and the other was the lamb, and we don't know which was which; and the San Francisco casualty underwriters' association sat up and took notice, and Secretary Robertson rounded up the members for a luncheon for the visitors, up on the fourteenth floor of the Merchants Exchange building, and the leading men in the business responded to the dinner bell at 12 meridian. President Green presided, and deliberately, in his address, named all the highbinders in the business and challenged them to take a drink of "tipó white Cal." Everybody (but one guest) emptied his glass. Okell took all the credit but Robertson signed the check.

It was a pleasant little affair. Even the speeches were endurable, which is saying much for a midday function with a mild preliminary. Falvey became rather confidential and Holland broke a dike and appealed to the Boston man to come through. The gist of all the talk was Franklinian—"let us in the casualty business hang together or we will hang separately." The states are "agin us." State insurance is in the dark and murky air. Politicians are out for votes with nothing at risk—because casualty men are disorganized and demoralized.

There were other speakers but the brilliance of the visitors and the display of strewn flowers in the large center of the big oval table so distracted the old Coast Review's (not Coast Review's old) representative that he forgot what they individually and collectively said that was pertinent or impertinent to the occasion.

H. R. Albee, a Portland insurance man, has been elected mayor, under the commission form of government. It takes an insurance man to beat a plumber.

Alberta Canada, has a law imposing a tax of 50 percent of the premiums paid for insurance in unauthorized companies. This

law is believed to be invalid and is being tested in the courts.

**Western Underwriting & Mortgage
Company**

The books of this San Diego corporation, as audited by C. W. Risley, public accountant, give these totals: Assets, \$521,861; liabilities, \$21,861; capital stock, \$500,000. The liabilities include \$18,116 profit and loss account. The majority report of the auditing committee, as above, was approved by 190, 136½ shares. The "noes" numbered only 118,920 shares, representing the litigants.

The principal asset of the company is the general agency contract, by and between the California National Life Ins. Co. and J. K. Tennant, of July 14, 1911. The said contract is carried on the books of the underwriting and mortgage company as an asset valued at \$200,000. The commissions from this contract have amounted to \$34,032. Other assets are 251 shares of the common stock of the Union Bank and Trust Co. of Phoenix, Ariz., par value \$25,1000 and a cost of \$50,200; stocks and bonds, \$132,564; treasury stock, \$179,638.

The committee found that the Los Angeles agency, controlled by J. K. Tennant, was charged on the books of the company with \$102,338, with credits in excess thereof. While the California Underwriting Company was organized to take over the general agency contract, the transfer was never made, and the contract has at all times since the taking over of the assets of the Western Underwriting Co. been and now in the possession of the Western Underwriting and Mortgage Co.

Officials and department managers of the Fireman's Fund, together with their wives, had a golden banquet this week, in honor of the golden anniversary of the company. About thirty-five persons were present. The service included the gold plate of the big hill hotel.

An Idaho "dry farmer" was struck by lightning while riding on a load of hay. He was knocked off, and hay and wagon were burned; but though stunned he saved his team.

Of Course This Auto Was Insured

BY THE POET PHILOSOPHER

Old Mr. Parr, he bought a car, and said: "I'll travel slowly; these cranks for speed are fools indeed; their conduct is unholy." With care he went, nor cared a cent in frantic speed to revel, and people said the old man's head was noticeably level. For quite a week old Parr was meek and slow and mighty cautious, and then he said: "we'll push ahead a bit or folks or folks will josh us." But careful still he ran down hill and courted no disaster for one week more, and then he tore along a little faster. A month was gone. "So help me John," old Parr was sadly drawing. "I don't like speed—I don't indeed—but we are merely crawling! I didn't get this car to fret along like this dod gast us! So let her rip along this trip—the snails are whizzing past us!" He woke in bed with bandaged head, and docs and nurses handy, and ere he died he sweetly sighed: "That auto is a dandy!"

WALT MASON.

Acknowledgments

Argus Comparative Chart for Western, Pacific Coast and Southern States business of 1912: by Rollins Publishing Co., Royal Insurance building, Chicago, Ill. Price \$1.00. The year's experience is summarized as follows:

	Premiums	Losses
Western States . . .	\$107,118,725 . . .	53%
Pacific Coast . . .	27,352,503 . . .	42%
Southern States . . .	17,615,006 . . .	72%

The losses in Texas were 88% of the premiums; in Mississippi 65%; in Arkansas 65%.

These are the totals of the companies reporting, 200 in all.

Argus Comparative Chart for Eastern and Southeastern states and Canada. Business of 1912. Rollins Publishing Co., Royal Insurance building, Chicago, Ill. Price \$1.00

The Eastern states reported \$93,622,512 premiums, with 54% losses.

The Southeastern states reported \$27,040,867 premiums, with 56% losses.

The Connecticut Insurance Report: Part 1, Fire and Marine. Burton Mansfield, Commissioner. Statistical tables are based on returns of 167 fire and marine companies.

The total premiums reported in table 7 is \$273,582,775, with 56% losses. The underwriting gain in surplus was \$9,789,180. The risks in force increased nearly 2½ billion dollars.

New York Insurance Report: Part No. 1, Fire and Marine. W. T. Emmet, Superintendent of Ins.

The excess of fire premiums over losses and expenses was estimated to be \$5,561,905 in New York state. The American companies had declined one in number. The foreign companies have increased four.

The foreign companies have increased over \$9,000,000 in premiums, and American companies have increased about \$4,000,000. The Liverpool & London & Globe leads in American fire premiums, among the foreign companies, with the Royal next.

The Hartford leads all companies, with the Home second.

Oregon—5th Annual Report; J. W. Ferguson, Ins. Com., Salem. An annual of 144 pages. Discontinued business in the state: American Fidelity, German Fire of Philadelphia, Phoenix Mutual Life, Prudential Casualty, and also the several companies which reinsured and quit in 1912. The National Live Stock Ins. Assn of Portland has been in the hands of a receiver since December 19. It seems impossible to make a permanent success of any live stock company.

Canadian Dept. of Ins., Ottawa, Advance Abstract of Statement of Companies; W. Fitzgerald, Supt. of Ins. Canada business of Canada companies, \$5,063,509 prems., \$2,586,805 losses. British companies lead with \$12,092,125 net prems; American and others, \$6,038,984; grand totals, \$23,194,518 prems. and \$11,771,436 losses. Gain, \$2,800,000. Canada is growing.

The Pacific Mutual very properly advertises that it is a company with a clean past and a great future.

Made Blind By Golf Ball

Kansas City, May 30.—As the result of whittling a golf ball until it exploded, throwing its acid contents into his face, Jack Heflin, 13, lost the sight of his left eye and physicians say he will become totally blind.

AMERICAN LIFE INSURANCE STATISTICS.

Compiled from Advance Sheets of the New York State Insurance Department

Number of companies reporting, 36.

Real estate owned	\$ 159,120,250
Mortgages	1,340,836,743
Collateral loans	12,347,336
Loans on policies	525,589,086
Bonds and stocks owned	1,916,044,518
Cash on hand	49,469,777
Interest and rent due	55,278,651
Uncollected and deferred prems.	51,381,175
Premium notes and other assets	27,053,478
Total assets	4,137,121,014
Capital of (18) companies	11,139,000
Unassigned funds (surplus)	129,864,634
Reinsurance reserve	3,466,647,425
Dividends to policyholders, 1913	94,682,295
Set aside for deferred dividends	289,404,602
Premium income in 1912	597,410,670
Interest and rent receipts	185,449,202
Total income	795,523,196
Total disbursements	567,605,342
Death claims paid in 1912	189,304,037
Endowments paid	50,476,761
Annuities paid	7,397,995
Policies purchased, surrendered and lapsed	84,001,512
Dividends paid policyholders	88,354,107
Commissions paid agents	53,526,264
Salaries, medical fees, etc.	49,671,151
Insurance in force	16,977,237,758
Increase	999,346,485
Decrease	39,159,546
New business	2,252,672,397
Revivals and additions	173,462,725

N. Y. state life companies have more than half of the total premium income and nearly half of first year's premiums.

San Francisco

The Civic League of San Francisco's committee on fire insurance and protection reports to the members, this week, that at Sacramento not a single bill was enacted which would have placed California in the ridiculous and critical present position of Missouri. The League shoots at a lime-light mayor thus:

"In San Francisco we have succeeded in getting rates reduced upon a showing of proper improvement and upon a sound basis

and not by threats and appeals to the gallery, although such a demonstration was begun by certain members of the community but happily proved but a flash in the pan."

The committee finds, in personal inspection, that the east half of Twin Peaks reservoir contains about 17 feet, say 2½ million gallons of chiefly fresh water. The Ft. Mason pumping station will be ready in July.

The pipe leakage of this high pressure system, 190,000 gallons a day, is considered by engineers to be below the normal, especially considering the pressure of 170 pounds. The system will go under the charge of Fire Chief Murphy, July 1, with a sufficient fund for its maintenance. The report is signed by G. Trittenbach, chairman.

San Francisco.—The Hartford Fire's city agency will occupy the ground floor corner office of the new Insurance Exchange building. A year later the Pacific general agency will move into the third floor.

Sacramento street has been restored to the former level, being repaved, after seven years disorder. Two insurance companies and one general agency own property on this fine street, which some busier day will "come into its own."

Travel Accident.—Electric roads are no safer than steam. In California two electric trains collided last week, and some fifteen passengers were killed. Several could have procured accident policies.

Marine Loss.—Steamer Riverside struck Blunt's reef, coast of California, June 19, and soon sank, a total loss. Cargo lumber. Ship and cargo insured.

Marine.—The str. Yukon, ashore on the treacherous reefs off Saunak island at 7 p. m. June 11, is a total loss.

Marine.—By striking a floating log the power launch Dupont stove a hole in her bow and it was necessary to beach her on Harbor island. The Dupont had 50 tons of dynamite aboard when she struck.

Marine.—Bellingham, Wash., wires that wise and prudent Capt. Soule of the str. Windber declined to sail from port on Friday, June 13, 1913, which of course was a hoodoo of the hoodoos.

Lloyds of London Still Shy About Paying \$112,000 Bank Theft Loss

The underwriters at Lloyd's who, in disregard of the laws of California, and without paying any taxes, insured the Crocker National bank against embezzlement, have not yet paid the \$112,000 due under their policy covering the defalcation of Chas. F. Baker, cashier. The underwriters hope to escape liability or persuade to a compromise settlement by securing evidence of contributory negligence on the part of the bank. If payment of the insured loss is refused, the bank must bring suit in London against the individual underwriters separately. There is no deposit at Lloyds covering this class of insurance, nor any filed statement of the resources of the underwriters. The bank may be served "jolly well right."

Municipal Ownership Responsible

The Long Beach, Cal., pier disaster, which caused the death of 37 persons, was due to neglected and rotten timber supports. The municipality owned and had erected the pier. Probably, too, there was graft as well as municipal neglect. There will be many suits for damages. Two hundred persons celebrating "Empire Day" were injured.

Tally-Ho Coach Goes Over Bank

In Colorado recently a coach and 40 passengers plunged down a 40-foot embankment, and 30 persons were more or less seriously hurt.

Steamship Company Must Pay Damages

Chicago, May 28.—In 1888 the steamer Tioga sank after the explosion of its benzene cargo, in the Chicago river. The hull, valued at \$110,000, was raised and impounded. The bodies of 27 of the crew of sailors were recovered and identified. The heirs (200) have recovered damages to the value of the hulk, less court costs.

The industrial accident law of California does not apply to fire departments, says the San Francisco attorney.

E. O. Painter, with more than a million of insurance on his life, fell overboard and

was drowned. He was on a ferryboat in Florida. The Mutual, New York, Penn and Union Central carried most of the life insurance. Applications for more insurance were pending.

Kind Auto-Car Owner Sued

Paris, May 30.—While motoring, a tutor and his pupils came upon two women motorists whose car had broken down. They asked for "a lift." The teacher invited them to "get in." A little while later the car skidded and the women were thrown out and injured. The women sued the kind tutor and the court awarded them \$2,300 damages. The moral is obvious.

A Standard Accident Policy Form

A committee of casualty underwriters has agreed upon a standard accident policy form. This sets a limit to progress: thus far and no farther.

Beneficiary and children's insurance is eliminated.

There must be a signed application.

No specific mention must be made of payment for sunstroke, freezing, gas or poison.

There must be single indemnity only, except as below.

Principal sum payable only for death, loss of both hands, both feet, sight of both eyes, one hand and one foot.

One-third of principal sum for loss of either hand or foot or sight of one eye.

For continuous partial disability, after accident, or after period of total loss of time, payment for not more than twenty-six consecutive weeks.

Double indemnity for accidents of travel (and in passenger elevators) or while in a burning building, provided the insured was in the building when fire began.

Injuries from bites of insects, or from ptomaines, or disease, or from aeronautics, are excluded.

For injuries from driving or cranking auto-machines and motor-boats, only half indemnity.

There shall be no substitute for the accumulation benefit clause.

Full coverage for automobile accidents for an additional premium.

FIRE AND MARINE INSURANCE

Washington Insurance Department Ruling

In Re: Exchange of Business. Division of Premium

The ruling of this department as to Section 100, Chapter 49 of Session Laws of 1911 (Insurance Code) is that the agent writing the policy is entitled to the full commission. Exchange of business does not mean division of commissions. Recording agents only are entitled to exchange business. Exchange of business means giving back in return for what you get.

The department is convinced that much brokerage business has been done in the guise of exchange of business. Division of commission excepting between soliciting and recording agents for same company will be held to be a violation of section 33—rebating.

Exchange of business must be confined to same lines—fire insurance for fire insurance, liability insurance for liability insurance, etc.—H. O. Fishback, Insurance Comm'r.

Sustained by the Attorney-General

The above ruling has been upheld by the attorney-general as follows:

State of Washington, Office of Attorney General,
Olympia.

June 6, 1913.

Hon. H. O. Fishback, Insurance Commissioner,
Olympia, Wash.

Dear Sir:

We are in receipt of your letter of the 24th ult., with enclosures. You state that it is a common practice among insurance agents of this state, who hold an agent's license for one or more companies, to solicit insurance, and if unable to place the same in companies for which they hold a license, to place such insurance in other companies through the authorized agents of such companies, and to divide the commission with the agent of such other companies. The agents placing insurance as above do not hold a broker's license, but claim that the transaction is in effect merely an exchange of business. You ask whether this can lawfully be done without such agent's first securing a broker's license.

In section 2 of the insurance code (Laws of 1911, ch. 49) the term "broker" is defined as follows:

"'Broker' or 'insurance broker' is any person, co-partnership or corporation, who, for compensation, not being an appointed agent for the company in which insurance or re-insurance is effected, acts or aids in any manner in negotiating contracts of insurance or re-insurance, or placing risks, or effecting insurance or re-insurance, for a party other than himself or itself."

Section 100 provides:

"Any person or party who solicits fire, marine, casualty, liability, or surety business to be placed in an insurance company other than represented by himself, shall be deemed and considered as transacting a brokerage business, and shall be required to procure a broker's license, provided, that nothing in this act shall be considered as prohibiting an exchange of business between duly licensed recording agents."

In placing insurance in a company for which he is not licensed, it seems clear that an insurance agent "acts or aids * * * in negotiating contracts of insurance," and consequently becomes a "broker" within the definition of section 2 supra, if he receives compensation therefor. The statute does not define the term, "exchange of business." In our opinion, the soliciting of business and the division of commissions in this manner is not an exchange of business within the contemplation of the statute. It may be and perhaps is the case in some instances that the agent effecting the insurance expects and receives some consideration at the hands of the agent for the company with which the insurance is placed, in the way of return business. It is our opinion, however, that to constitute an exchange of business within the meaning of that term as used in the statute, the full commission should be collected and paid to the agent who writes the policy; that in such a case, the agent who solicits the insurance acts as the agent of the insured, and that any retention of any part of the agent's commission by such an agent would constitute a violation of section 33, prohibiting the giving of rebates.

The effect of an agent's license, as we understand it, is merely to give to the holder of such license the right to solicit business for the particular insurance company for which the license is given, and to receive commissions upon such insurance; or to exchange business with agents for other companies, with the object of ultimately receiving in return other business for such license's company.

In direct answer to your inquiry, therefore, you are advised that an agent for a fire, marine, casualty, liability, or surety company may not accept any part of the commissions for insurance placed in companies other than those for which such agent is licensed, without first obtaining a broker's license as required by law; nor may such agent solicit insurance or act or aid in any manner in negotiating contracts of insurance or re-insurance, or placing risks, or effecting insurance or re-insurance, for a party other than himself, in any class for which he does not hold an agent's license, unless he procures a license to act as an insurance broker.

Yours Respectfully,
(Signed) W. V. TANNER, Attorney General.

London Assurance Corporation

A gain of \$1,254,815 advanced the gross funds of this 193-year-old company to \$24,899,825. The life department funds being \$12,900,615, the fire, marine, etc., funds are \$11,999,210, against \$11,100,115 a year ago. Net surplus, \$5,589,635; policyholders' surplus, \$7,831,010; premiums, \$5,624,785; loss ratio, 53 percent. The United States department has nearly \$4,000,000 assets, over half of which sum is surplus. The premium income (\$2,711,286) gained nearly \$200,000. The London Assurance is one of the few companies reporting an increased business on the Pacific Coast, where it wrote \$755,859, a gain of \$101,520, in 1912. The Coast manager is A. W. Thornton.

Grange Fire Mutual

Pomona grange of Tulare county, Cal., has organized a mutual to issue policies on the property of members of all the local granges. The new mutual will be perfectly satisfactory and save money as long as there are no fires.

Oregon Marine Business in 1912

	Premis.	Losses
British & F.	\$30,602	\$ 8,883
Canton	1,626	.. . .
Commercial Union	7,579	7,304
Federal	2,451	89
Firemans Fund	15,391	4,248
Home	343	.. . .
Ins. Co. North America	5,254	4,380
Marine	822	.. . .
Royal	25	.. . .
Royal Exchange	1,462	166
St. Paul	1,826	10,451
Thames & Mersey	19,910	53
Union Marine	2,764	2,407
	<hr/>	<hr/>
	\$89,159	\$23,375

Oregon Automobile Business in 1912

	Premis.	Losses
Aetna	\$ 5,177	\$ 1,132
Alliance	850	.. . .
Boston	6,422	4,064
Continental	1,450	769
Commercial Union	4,923	258
Federal	13,103	3,840
Firemans Fund	17,099	4,680
Fidelity Phenix	1,450	1,650
Hartford	4,491	497
Home	726	26
Ins. Co. North America	2,158	40
Ins. Co. State of Pa	50	.. . .
London & Lancashire	1,084	460
Mannheim	168	.. . .
Marine	2,154	3,799
Old Colony	1,373	243
Orient	715	269
Palatine	6,226	627
Prov.-Wash	663	.. . .
Queen	3,542	3,247
Royal	8,802	3,008
Royal Exchange	4,369	332
St. Paul	3,529	1,656
Stuyvesant	1,558	1,176
	<hr/>	<hr/>
	\$92,082	\$31,759

Loss ratio 35 percent. Average prem. rate \$2.13

Had High Loss Ratios in Oregon: Greenwich, Jefferson, Lumber, Merchants of New York, National Lumber, North River.

We congratulate California property-owners as well as the fire insurance men, on the defeat of the state-rating bill. The Board of Fire Underwriters of the Pacific must be credited with much of the efficiency of fire departments and the adequacy of water supplies, and therefore credited with the light fire losses and the low cost of insurance in a state of wooden buildings and rainless hot summers.

The paid-up capital of the Sun of London is to be doubled by a stock dividend, making it \$2,400,000.

COMMERCIAL UNION ASSURANCE COMPANY

Gains in Resources and Premium Receipts—Favorable Loss Experience— Annual Income Now \$21,000,000

In October of this year the Commercial Union Assurance Company of London will be fifty-three years old; and it is these many years which partly explain the large accumulations and the underwriting success of this 57-millionaire.

The total resources including the guaranteed capital exceed \$70,000,000. In addition there are the funds of six other companies, amounting to some \$50,000,000. These companies are owned and operated by the Commercial Union, but their figures do not appear in its annual statement. The grand cash total of resources is therefore about \$107,000,000, or more than \$120,000,000 cash and guaranteed resources, within the ownership and control of this great company.

The net premiums of the Commercial Union in 1912 were \$15,034,670, and the loss ratio was 49 percent. The fire department premiums increased, and the loss ratio was 50 percent. The entire premium income, exclusive of the life department, gained about \$600,000.

This company has branches in the United States at New York and on the Pacific Coast at San Francisco; in Canada at Montreal; in Germany; in Argentine Republic; in Japan; in China; at Hong Kong; at Calcutta, Bombay, Madras; at Singapore; in New Zealand; in Tasmania; in West Australia, Queensland, South Australia, New South Wales, Victoria; in South Africa. Vancouver, B. C. is a part of the Canada branch, with A. T. Von Etlinger as branch manager. In the United Kingdom there are thirty-one branches.

Of the \$7,620,987 assets invested in the United States, we wrote the bonds of the Central Pacific, Union Pacific, Denver & Rio Grande, Oregon R. R. & N., Oregon Short Line and Northern Pacific railroads. The surplus funds in this country amount to \$2,910,606.

The United States contributed nearly a third of the total premium income of the company, with a 55 percent loss ratio.

The Pacific Coast branch wrote \$367,002 fire premiums last year, with only a 31 percent loss ratio. There was a gain of \$7,000 in a year of declining premium income. The marine department, besides, wrote \$39,224 premiums. This successful branch reports to the home office in London. E. T. Niebling is manager, H. L. A. Bates is assistant manager, and William Ireland is marine secretary.

Aetna Changes

General Agent Breeding announces the appointment of J. A. Murphy as general adjuster of the Pacific branch of the Aetna. Under the supervision of the management he will direct the adjustment of all loss claims from headquarters in the San Francisco office.

Fred H. Rhoads succeeds Mr. Murphy as special agent, with headquarters in Seattle.

Fires.—Bakersfield, Cal., reports several incendiary fires in the vicinity. Boust City wiped out by fire. Evening paper plant in the big oil city burned.

Fire Legal Brevities

An insurer who advances money to insured on conditions of the presentation of a claim to a carrier for the amount of the loss, and a refunding of the amount on receiving payment from the carrier, does not thereby pay the policy or waive any of its defenses.—141 N. Y. S. 374.

Where the minds of an owner and of an insurance agent never met as to the identity of the house to be insured, held, that the agreement which was an essential element of the contract was wanting, so that there was no contract or liability—Dixie Fire Ins. Co. v. Wallace, 156 S. W. 140.

The war between the rival American and English oil companies in Mexico continues merrily, with the death rate within the mortality tables. It is called a revolution.

50,000 building permits have been issued in San Francisco since the fire of 1906.

COMMERCIAL UNION

ASSURANCE COMPANY, LTD.

OF LONDON

STATEMENT OF THE CONDITION AND AFFAIRS FOR THE YEAR ENDING DEC. 31, 1912

GUARANTEED CAPITAL, - - - \$14,750,000 00

PAID UP CAPITAL, - - - - - 1,475,000 00

ASSETS

Stocks, Bonds, etc., Owned	\$13,168,832 00
Loans on Bonds and Mortgages	524,886 43
Real Estate Owned	4,246,931 21
Cash in Banks	2,579,164 46
Premiums in Course of Collection	3,880,910 10
Assets of Life Department	26,177,076 48
All Other Assets	6,521,284 02

Total Admitted Assets **\$57,099,084 70**

UNCALLED GUARANTEED CAPITAL, - \$13,275,000 00

Total Resources, : : : \$70,374,084 70

LIABILITIES

Reinsurance Reserve	\$6,606,027 00
Unpaid Losses	1,558,282 77
Liabilities Under Life Department	26,177,076 48
Debenture Stock and All Other Liabilities	12,766,288 53

Total Liabilities **\$ 47,107,674 78**

Net Surplus, - - - - - \$8,516,409 92

Cash Surplus to Policyholders, - \$ 9,991,409 92

INCOME

Net Premiums	\$15,034,670 02
Interest	1,334,093 94
Income of Life Department, etc.	4,419,089 26

Total Income **\$20,787,853 22**

EXPENDITURES

Losses Paid	\$7,441,469 50
Dividends to Stockholders	1,111,164 10
Commissions	1,352,507 65
Taxes, Salaries and Other Expenses	3,843,941 87
Expenditures of Life Department	2,154,873 45
Alterations, Repairs and Other Expenditures	573,378 56

Total Expenditures **\$16,477,335 13**

Assets in United States, \$7,620,987 61

Surplus in United States, \$2,910,606 51

Pacific Coast Branch: Security Building 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

WILLIAM IRELAND, Marine Secretary

Fire Business of 1912

Some Made Money and Some Lost It

The Capital Fire of New Hampshire is transacting a losing business.

The Central Union of Kansas City is writing an unprofitable business, and is trying to get more of the same kind.

The City of New York reports fewer premiums than losses and expenses.

The Western & Atlantic, of which H. H. Rimington is secretary, had losses and expenses equal to 133 percent of its premiums, besides adding \$22,000 to its reinsurance liability. Rim seems to be on the brim.

The Virginia F. & M. has lost money in the past two years, though an old company.

The National of New Jersey is losing money.

The Minnesota Fire has been losing money ever since it started.

The Milwaukee Mechanics reports, for the first time since 1906, a loss and expense outgo in excess of premiums.

The Home Fire of West Virginia is losing money.

The California of San Francisco reinsured much of its Eastern business in 1912 and therefore reports a premium income little in excess of that from the home field. The Coast business was very profitable. Net surplus increased \$57,576. Interest earnings exceed dividends to stockholders.

The Agricultural increased its assets and net surplus and made an underwriting profit of about 8 percent.

The American of Newark is among the not many which gained in assets, reinsurance reserve, surplus and premiums.

Reliance Ins. Co.—This is a Philadelphia fire company, which in the past two years has been losing money on the underwriting account. The yearly income has been less than the yearly outgo. In California last year the loss ratio incurred was 63 percent of the premiums. In 1911 the company's business as a whole yielded a loss and expense combined outgo equal to 105 percent of the premiums, and in 1912 it was 109 percent. Assets, surplus and premiums declined. This old company should wake up before it is too late.

The P. P. Exposition Fire Protection

The Fire Underwriters' Inspection Bureau has issued a bulletin on the fire protection and fire prevention of the Panama-Pacific Exposition which is to be held in San Francisco some nineteen months hence. The National and Pacific boards and the bureau conferred with the exposition's bureau of works, in the beginning of work on the grounds of the fair, and the outcome was an efficient fire protection system, and the appointment of W. M. Johnson of the National Board as chief engineer of the department of water supplies and fire protection for the exposition, to carry out the plans of the conference.

The selected site faces the straits, and on private ground is a few feet above high tide and is filled-in and piled. The prevailing winds are westerly, with occasional strong northers. The hazardous concession district has been placed to leeward. All the principal buildings will be separated by a minimum space of 130 feet, excepting arches and towers forming structural ties.

All corners, architectural "excrecences" and ornamentation will be of moulded staff. The only exterior exposed wood work will be flag-staffs. All interior woodwork will be sprayed with a fire-resisting solution.

Machinery hall roof will be about 110 feet from the floor, but other roofs will not exceed 45 feet, though the exterior walls, for architectural effect, will be carried to a height of 65 feet.

Roofs will be covered with prepared roofing, of a top-sheet of asbestos cemented to a sheet of felt laid in asphalt pitch. Roofs will also be painted with a fire re-tardent paint.

Wired glass skylights will be 20 percent of the roof area. This is the first exposition to use wired glass skylights.

Gas will be the only fuel, and there will be no lights but gas and electricity.

The fire department will consist of 100 experienced firemen, innocent of politics, and four engines and two ladder apparatus.

A high pressure water system will deliver as much as 15,000 gallons a minute at the most remote part of the grounds. There will also be the domestic water supply.

Fire engines will also connect with fountains and lakes, and the bay.

A lookout will be kept from the top of a 400 foot tower.

Thermostats and alarm boxes will connect with a central alarm station.

Altogether, it is believed that the fire protection will excel that of any previous world's fair or other exposition.

It ought to!

Report of the Adjuster on the Sacramento Chinese Loss

Coast Review.

San Francisco, Cal.

June 2, 1913.

Gentlemen:

Believing that your sense of fair play and interest in the protection of every sound, admitted insurance company, irrespective of Board or non-board affiliation, will not permit you to allow an injustice to be done to the Associated Underwriters, Inc., general agency, because of ignorance of the actual facts, I desire to request a correction of a statement published in your issue of March 1913 referring to an alleged Sacramento, Cal., loss in which the Royal Insurance Company and the Associated Underwriters, Inc. were said to be interested; the actual facts being as follows:

First: The Royal Insurance Company was not interested in the said loss, and secondly, did not pay a single dollar's claim thereon. The adjustment, therefore, was not one of the board or non-board companies, but an individual loss claim covered solely and exclusively by non-board insurance. The Royal Insurance Company did, however, cover a stock of merchandise in an adjoining store-room, the Royal covering a stock in which no other company was interested and its policy describing dry goods and notions and similar stock which was nearly destroyed owing to its nature and consequently not offering any salvage or "saved stock."

The stock covered by the policy of the Associated Underwriters, Inc., general agency consisted principally of wines and liquors and other similar stock entirely dissimilar from the stock of notions and dry goods described under the Royal policy next door, inasmuch as the policies were not

issued to the same people nor on the same stock the losses were naturally adjusted by different adjusters for the representative companies.

The Chinese stock described was not destroyed and much of the stock in the store-room was not even wet, hence there was legitimate salvage, for the absence of water, smoke or fire to a large portion of the stock made it a very easy matter to ascertain the goods not destroyed or damaged, and the consequent salvage which was shared in by the claimant who helped count and price the stock per the following sound value inventory:

Liquors and wines	\$681.08
Other stock	450.09
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Inventory value	\$1131.17
Loss and damage to stock	\$777.29
Allowed for damage to fixtures and furniture	150.00
Allowed for damage to household goods	150.00
Actual damage claim as adjusted . . .	\$1077.29
Amount paid as per receipt shown you	\$1100.00

The Associated Underwriters, Inc., therefore, instead of paying 55 cents on the dollar as erroneously communicated to you actually paid a full 100 cents on the dollar and at the time of the adjustment the claimant together with a prominent San Francisco Board broker and a prominent Chinese interpreter personally thanked President Magee of the Associated Underwriters, Inc., for the liberal, square adjustment and at that time the Board broker, the interpreter and the claimant himself acknowledged in my presence that they felt that the claim had been liberally settled in view of the facts above noted.

As the adjuster for the companies interest I feel that you will gladly give the same space and prominence to this letter as originally given in your columns to the unfair and hurtful original publication.

Respectfully submitted, E. J. Jolly
 General Adjuster and Accountant,
 Room 606 Royal Insurance Bldg.,
 San Francisco.

Remarks.—The Coast Review's comments were based on the unchallenged publication in the San Francisco Chinese daily paper.

We printed the charges as therein made after twice asking the manager of the accused companies to write us a denial. As he made no reply we published the letter. This was not "unfair." By refusing to answer, the general agent of the company interested virtually admitted the truth of the allegations. We were later surprised to learn that the companies on this Chinese risk were the New Brunswick and the United Firemens. The above letter refers to the Quong Hung or Quong Lung loss.—Ed. Coast Review.

Marine and Inland Marine Business in the United States in 1912

Compiled from the New York State Insurance Report

Marine

	Premiums	Losses
American & Foreign . . . \$	146,562	\$ 39,226
Atlantic Mutual	3,238,414	1,362,841
Columbia	401,007	180,941
Federal	1,467,971	672,096
Alliance Assurance	222,907	58,558
Allianz	313,080	120,999
British & Foreign	1,096,204	426,422
Commercial Union	585,965	319,778
La Fonciere	40,771	7,148
General	118,503	96,156
Indemnity Mutual	347,978	134,533
London Assurance	628,211	311,777
Mannheim	1,417,493	769,281
Marine	927,618	366,845
Maritime	109,929	97,145
North China	23,118	4,260
Ocean Marine	272,108	136,994
Phoenix Assurance	36,270	218
Reliance	248,886	143,777
Rossia	628,796	217,497
Royal	219,399	104,675
Royal Exchange	385,972	123,340
Sea	914,870	429,099
Standard	1,283,219	726,088
Switzerland General	447,058	220,857
Thames & Mersey	729,965	418,361
Tokio	91,758	17,923
Union	893,677	545,812
Yang Tsze	263,734	103,819
Totals Marine	\$12,247,486	\$5,901,362
Loss ratio, 48.1 percent.		

Inland Marine

	Premiums	Losses
Continental \$	129,536	\$ 59,632
Fidelity-Phenix	135,302	48,345
Glens Falls	68,413	16,166

Home	612,701	291,223
Queen	532,691	225,318
Ætna	1,392,232	753,733
Alliance	360,352	121,126
American, N. J.	36,365	5,593
American Central	11,093	032
Boston	1,615,500	859,378
Citizens	9,080	. . . . .
Detroit	16,480	4,519
Equitable	30,709	3,859
Fireman's Fund	2,014,551	932,171
Hartford	749,572	319,394
Ins. Co. North Amer.	3,036,530	1,403,672
Ins. Co. State Penn.	41,396	1,540
Massachusetts	124,339	27,067
Mechanics & Traders	557,000	1,573
Michigan Commercial	7,067	2,178
New Jersey	17,015	761
Old Colony	144,160	67,724
Orient	73,018	28,867
Prov.-Wash.	953,858	564,402
St. Paul	1,478,384	765,714
Teutonia	17,235	3,820

American Cos. Total . \$13,608,247 \$6,535,637
Loss ratio, 48 percent.

	Premiums	Losses
Commercial Union \$	222,608	\$ 74,833
L. & L. & G.	460,819	229,549
London & Lancashire	113,847	28,904
Royal	555,112	182,346
West. Assur.	237,524	164,418

Foreign Cos. Total . . . \$ 1,589,912 \$ 680,050
Loss ratio, 42.8 percent.

Grand Totals Inland Marine	\$15,198,159	\$ 7,215,687
Grand Totals Marine and Inland Marine	27,445,645	13,117,049

Companies May Withdraw from Texas

State low rates limits and worse legislation probabilities caused a meeting, June 18, in New York city of fire underwriters representing more than half the non-resident companies in Texas, to consider the very unfavorable situation. It is possible the Missouri example may be followed by the withdrawal of all the sound companies.

Salt Lake claims at Saltair the largest floor in the World. It is 225½ feet by 117½ feet; or allowing for circled corners a total of 23,537¾ square feet of dancing floor. And this pavilion has never burned.

Marine Insurance Totals

The New York State Insurance Report, just received, contains figures from which we make these compilations:

	Premiums	Losses
New York companies	\$3,384,976	\$1,402,067
Other American companies	1,868,977	853,037
Foreign companies	12,247,486	5,901,362
	<u>\$17,501,439</u>	<u>\$8,156,466</u>

There are only 4 American marine companies; there are 19 branches of foreign marine companies.

The average loss ratio was 46.6 percent.

Panama Canal and Marine Rates

Referring to the opening of the Panama canal, a writer in Fairplay considers that this great undertaking must revolutionize the whole trade of the world and the modes of thought of every marine underwriter. It is for the underwriter to take stock of his position and to ask himself the question whether the old dispensation has been of so much benefit to him that he can afford to drift with the current, or whether he will take courage and fix his rates for all trades at a profitable remuneration.—Insurance of Cape Town.

North British and Mercantile Insurance Co.—The directors report that the net fire premiums for 1912 were £2,435,991, against £2,379,040 in 1911. The net fire losses amounted to £1,285,292. The profit on fire account (exclusive of interest) amounted to £250,151. Dividends same as last year, £2 per share, subject to income tax. The accounts of the Railway Passengers' Assurance Company and Ocean Marine Insurance Company (both these companies' shares being vested in the North British and Mercantile), are included in the report. The net premiums received by the former company in 1912 amounted to £397,616, compared with £390,719 in 1911; and the total profit of the year (including interest) amounted to £66,477. The net premiums received by the Ocean Marine Company in 1912 amounted to £256,144, compared with £240,758 in 1911; and the profit for the year 1911 (excluding interest), amounted to £53,525.—The Review, London.

Stockholders of the American of New Jersey Paid In a Special Reserve Fund of \$300,000 Under the Law of 1908

American Insurance Company, 70 Park Place.
Newark, N. J., June 5, 1913
Mr. E. H. Bacon, Editor The Coast Review,
San Francisco, Cal.

Dear Sir:

We notice on page 258 of the May issue of the "Coast Review" an article headed "Safety Fund Law," in which you state that New York and Wisconsin have a similar law under which a number of the largest companies operate.

You are evidently not aware of the fact that New Jersey, at the instance of the American Insurance Company, adopted a similar law in the year 1908, a copy of which is enclosed herewith. The American of Newark is, I believe, the only New Jersey company which has thus far availed itself of the provisions of this law, having established a special reserve fund of \$300,000, which was paid in by the stockholders for this specific purpose, instead of depleting the surplus, although the following certificate of the commissioner of banking and insurance of N. J. would appear to indicate that the reserve was taken from the surplus, which it really was after having been paid in by the stockholders:

Trenton, N. J., October 23, 1908. I, David O. Watkins, Commissioner of Banking and Insurance of the State of New Jersey, hereby consent to the setting aside by The American Insurance Company of Newark, New Jersey, out of its net surplus, of the sum of Three Hundred Thousand Dollars as a special reserve fund for the purpose specified in Chapter 258 of the Laws of said state for the year 1908, entitled "A Supplement to an act entitled 'An Act to provide for the regulation and incorporation of insurance companies and to regulate the transaction of insurance business in this state,' approved April third, nineteen hundred and two," which said supplement was approved April fourteenth, nineteen hundred and eight.

In our judgment the public would be better protected if all states would not only permit but require such a safety fund to guard the insuring public against the absolute loss of protection in the event of a large conflagration, which would not only wipe out the company but also the security of all its policyholders, very few of whom would be otherwise involved in such conflagration.

Yours truly, P. L. Hoadley, President.

Copy of the New Jersey Safety Fund Law of 1908

The following is a copy of a certified copy of Chap. 258, Laws of 1908, of the state of New Jersey.

Any fire insurance company of this state having a net surplus of more than the amount of its capital stock **may**, by resolution of its board of directors and with the consent of the commissioner of banking and insurance, **set aside** a part, or the whole, of its net surplus in excess of an amount equal to its capital stock and not to exceed in amount **five hundred thousand dollars**, as a **special reserve fund** which in case of any extraordinary conflagration or conflagrations shall not be liable for any claims for loss by its policyholders arising out of such conflagration or conflagrations, but shall, with such company's fund for unearned premiums, be held by such company **for the protection of its other policyholders**. In case the losses sustained by any such company by conflagration or conflagrations shall exceed its general net surplus (not including therein such special reserve fund) such special reserve fund shall be applied to make up any impairment of the capital of such company; any balance of such fund not required for that purpose shall be carried to the general surplus account of such company. Upon payment to the claimants against such company, for losses caused by such conflagration or conflagrations of the amounts to which they are respectively entitled in proportion to their several claims out of the capital and general net surplus fund of such company (not including such special reserve fund), such company shall be forthwith discharged from any and all further liability to such claimants and to each of them. Such special reserve fund may be increased from time to time but shall never exceed the capital of such company, and the amount thereof shall be set forth in such company's annual statement to the Department of banking and insurance. No company, so long as it continues to operate under this law, shall diminish its special reserve fund by paying dividends therefrom.

Conservative companies writing about a third of the business in Texas in 1912 had loss ratios ranging from 86 to 152 percent. The state makes the rate, the companies pay the freight of 30 percent plus the premiums received.

The average 1912 fire loss of 300 American cities is \$2.55 per capita. Some of the larger figures per capita are:

Houston, Tex., \$51.14 Butte, Mont., \$9.84
Fresno, Cal., . . . 7.75 Walla Walla, 6.74

The Northern Assurance Company has added \$500,000 to its reserve funds, after paying a bonus dividend of 8s per share, less income tax.

In Re Montana Figures

Los Angeles Fire Insurance Company,
Los Angeles, Cal., June 13, 1913.

The Coast Review, San Francisco, Cal.
Gentlemen;

We note in supplement just received showing Montana figures, that our losses are quoted as \$2,500. We paid no losses in Montana last year except a \$2,500 loss under some reinsurance accepted in San Francisco, and \$1,000 of this was reinsured, making a net loss of \$1,500.

In our report to the insurance department reinsurance premiums were deducted, and we assume that reinsurance losses should also be deducted.

We are offering this explanation so that you can make the correction if you desire to do so.

Yours very truly, J. HARVEY PATTERSON,
Vice President and Manager.

At Santa Ana, Cal., the Crystal Cleaning Co.'s plant, a match dropped to the cement floor started a blaze which reached a bucket of gasoline. The blazing bucket was thrown into the street. Investigation showed several tanks of gasoline in the place, all with loose covers. The city ordinance will be amended.

A California Firebug

Man Who Fooled the Adjusters is Sentenced to Five Years in the Penitentiary

Prof. Max Bachmann, a violin music-teacher, formerly of San Francisco, but latterly of San Jose, confesses to several incendiary fires and to the fraudulent collection of insurance money. On May 10 he set fire to his home in San Jose. Other fires for which he confesses responsibility were at Los Angeles, at Coronado, Cal., and at Atlantic City, N. J. At the latter place Bachmann was leader of the Million-Dollar Pier orchestra. At Coronado he was leader of the big beach hotel orchestra. From these three incendiary fires he collected over \$6,000 insurance. He also had fires in Boston and other Eastern cities. It was his custom to remove much of his goods before the fire and then collect insurance on them. He set the fires when about to move away.

An irascible man is a sick man.

TWENTY-FOUR LEADERS

PACIFIC COAST DEPARTMENT FIRE BUSINESS.

By Companies, Agencies and Departments.

(This Compilation is original with the Coast Review.)

WHERE THE COMPANIES WRITE.

The figures in this compilation of Coast business by agencies and departments, written in San Francisco, represent the business of states and territories (as per numbers), as follows:

- | | |
|----------------|-----------------------|
| 1. CALIFORNIA, | 10. COLORADO, |
| 2. OREGON, | 11. NEW MEXICO |
| 3. WASHINGTON, | 12. HAWAII, |
| 4. IDAHO, | 13. ALASKA, |
| 5. MONTANA, | 14. BRITISH COLUMBIA, |
| 6. UTAH, | 15. PHILIPPINES, |
| 7. NEVADA, | 16. MEXICO or TEXAS, |
| 8. ARIZONA, | 17. ALBERTA, |
| 9. WYOMING, | 18. SASKATCHEWAN. |

Companies and Agencies	San Fran. Prem's	—Coast— Prem's Rec'd	Losses Incur'd	Ratio Percent
1 Fireman's Fund—Louis Weinmann, Sec.				
1 1912	\$ 98,564	\$1,364,514	\$717,463	52.5
1 1911	128,106	1,512,633	682,689	45.1
1 1910	130,987	1,298,074	601,460	46.3
1 1909	102,128	1,200,194	495,463	41.2
1 1908	90,904	1,095,541	429,390	39.2
Writes in 1 to 14 inclusive and 16; Also Texas and Arkansas.				
2 California—Geo. W. Brooks, Sec.				
2 1912	89,392	486,112	151,185	31.1
2 1911	109,643	488,921	131,906	26.9
2 1910	123,904	64,106	145,295	31.3
2 1909	110,154	403,159	141,670	35.4
2 1908	118,537	378,477	134,132	35.4
Writes in 1 to 14 inclusive.				
3 Los Angeles Fire—Charles Donlon, Sec.				
1912	2,356	40,058	8,253	20.6
1911	2,776	26,119	8,728	33.4
1910		5,446	734	13.6
Vulcan Fire—A. Hodgkinson, Sec.				
5 Capital	1912 4,801	34,787	1,144	3.8
	1912	14,367	749	5.0

SAN FRANCISCO GENERAL AGENCIES AND DEPARTMENTS.

Companies and Agencies	San Fran. Prem's	—Coast— Prem's Rec'd	Losses Incur'd	Ratio Percent
1 Rolla V. Watt—Royal, Queen.				
Total 1912	\$270,914	\$1,843,366	\$746,774	40.5
1 1911	330,138	1,936,003	716,976	37.0
1 1910	350,118	1,943,742	721,812	36.9
1 1909	363,099	1,935,467	723,123	37.3
1 1908	325,261	1,832,242	705,354	38.5
Write in 1 to 8 inclusive and 11, 12 and 13.				
2 Wayman & Henry—Sun, National, Michigan F. & M., Colonial, Mechanics & Traders				
Total 1912	193,878	1,806,691	652,904	36.1
1911	240,767	1,894,053	629,883	33.2
Write in 1 to 14 inclusive.				
3 Palache & Hewitt—Hartford Fire, Citizens Fire.				
Total 1912	127,277	1,447,724	598,537	41.2
3 1911	134,217	1,443,366	593,633	41.1
2 1910	137,869	1,400,538	602,613	43.0
8 1909	114,003	1,262,013	491,054	38.9
2 1908	106,008	1,178,323	376,556	31.9
Write in 1 to 8 inclusive, 12, 13 and 14.				

Companies and Agencies	—Coast—			
	San Fran Prem s	Prem's Rec'd	Losses Incur'd	Ratio Percent
4 Geo. H. Tyson.—German-American, Phoenix of Hartford, German Alliance, Equitable F. & M.				
Total 1912	139,578	1,431,501	533,977	37.3
2 1911	178,802	1,464,852	563,329	38.8
3 1910	192,494	1,394,234	523,366	37.5
2 1909	181,073	1,318,709	409,225	31.0
3 1908	153,676	1,145,488	426,530	37.2
Write in 1 to 8 inclusive; in 5 Phoenix only. Write also in 12, 13 and 14.				
5 W. H. Breeding—Ætna.				
5 1912	194,127	1,050,609	362,173	34.4
6 1911	229,507	1,072,045	321,121	29.9
8 1910	238,699	1,013,646	352,032	34.7
8 1909	228,922	894,035	236,174	26.9
8 1908	217,892	845,796	261,386	30.4
Writes in 1 to 8 inclusive, 12, 13, 14, 17 and 18.				
6 John W. Gunn—Liverpool & London & Globe				
6 1912	295,919	962,998	345,685	35.8
7 1911	345,949	1,039,816	348,412	33.5
5 1910	402,608	1,162,404	390,058	33.5
5 1909	385,959	1,157,856	442,767	38.2
4 1908	375,002	1,128,541	363,197	32.2
Writes in 1, 2, 3, 4, 7, 8 and 13.				
7 †Harry L. Roff—Home, N. Y.				
7 1912	273,370	931,655	335,603	34.9
8 1911	326,608	991,818	302,239	30.5
7 1910	396,678	1,096,643	353,240	32.2
6 1909	408,974	1,089,700	382,436	35.0
6 1908	398,161	1,059,308	352,283	33.3
†California, Nevada, Arizona. Total Pacific West premiums, \$1,526,118 loss ratio, 38.1.				
8 Edward Brown & Sons—Svea, Agricultural, Globe & Rutgers, Hamilton Fire, Globe Und. Agency				
Total 1912	93,591	786,642	361,386	45.9
9 1911	112,346	844,304	320,224	37.9
9 1910	127,245	805,741	352,618	43.9
9 1909	137,944	759,263	279,827	36.8
10 1908	145,606	714,000	291,376	40.8
Write in 1 to 10 inclusive, 12, 13, 14 and 16.				
Geo. W. Dornin—Springfield F. & M., Newark.				
Total 1912	100,291	769,533	313,309	40.7
11 1911	116,344	708,883	302,230	42.6
11 1910	121,977	709,177	307,521	51.8
11 1909	129,679	730,094	274,356	37.5
9 1908	133,164	718,676	283,297	39.4
Writes in 1 to 8 inclusive, 12, 13, 14.				
10 A. W. Thornton—London Assurance.				
10 1912	97,314	745,859	297,008	39.
1911	92,445	644,339	241,841	37.5
Write in 1 to 14 inclusive; in 16, mining risks only.				
11 Christensen & Goodwin—American Central, St. Paul F. & M., Merc. F. & M., Merc. F. & M. Und., Minnesota Und.				
Total 1912	69,654	724,466	335,433	46.3
10 1911	84,016	729,125	287,603	39.4
10 1910	97,222	762,398	356,914	46.8
10 1909	100,644	732,688	255,611	34.7
11 1908	98,661	684,393	278,484	40.8
Write in all except 10, 11 and 15.				
12 James Wyper—London & Lancashire, Orient.				
Total 1912	85,676	648,230	215,637	33.2
12 1911	98,607	667,062	242,062	36.3
12 1910	105,833	699,966	309,471	44.1
12 1909	108,855	692,443	224,419	32.4
12 1908	119,456	649,953	225,689	34.7
Write in 1 to 12 inclusive.				
13 James C. Johnston—Ins. Co. of North Amer., Alliance of Phila.				
Total 1912	92,239	636,271	243,955	38.3
13 1911	121,391	666,222	211,974	31.9
13 1910	134,043	627,520	274,519	43.7
14 1909	131,528	570,685	221,335	38.8
14 1908	129,036	538,710	211,663	39.3
Write in 1 to 8 incl., 12, 13 and 14.				

Companies and Agencies	—Coast—			Ratio Percent
	San Fran. Prem's	Prem's Rec'd	Losses Incur'	
14 E. T. Niebling — Commercial Union. Lon.: Commercial Union Fire, N. Y.: Palatine, London..				
Total 1912	64,442	629,787	211,534	33.5
15 1911	76,344	634,336	288,831	45.5
14 1910	77,995	615,070	247,667	40.7
13 1909	82,804	625,662	185,237	29.5
13 1908	80,194	574,996	239,678	41.5
Write in 1 to 8 incl., 12 and 13.				
15 Edwin Parrish — Niagara Fire, Detroit F. & M., Niagara-Det. Und				
Total 1912	37,764	542,070	251,055	46.2
1911	39,375	567,908	238,720	42.1
Write in 1 to 8 inclusive; in 12, 13, 14, 17, 18; in 16, mining risks only.				
16 Folger and Speyer — New Zealand.				
16 1912	117,801	500,481	143,485	28.6
16 1911	145,600	525,884	168,328	32.0
17 1910	163,416	523,857	188,388	36.0
18 1909	164,828	500,324	128,154	25.6
17 1908	155,202	471,242	155,091	32.6
Writes in 1 to 10 incl., 12, 13, and 14.				
17 Benjamin J. Smith — Connecticut Fire.				
17 1912	56,457	498,526	213,747	42.8
17 1911	67,959	508,384	179,247	35.2
21 1910	65,753	456,744	192,677	42.9
22 1909	73,842	447,807	138,504	30.9
19 1908	78,256	424,169	147,994	34.9
Writes in 1 to 8 incl., 13, 14 and 17; 12 reins, only.				
18 Edward E. Potter & Sons — Glens Falls, Security, Girard F. & M., New Haven Underw.				
Total 1912	46,303	484,989	175,797	36.2
19 1911	60,571	499,523	163,525	32.8
19 1910	40,582	481,803	164,717	34.6
19 1909	46,680	459,625	129,516	28.9
21 1908	42,322	406,743	111,185	27.5
Write in 1 to 6 incl., and 8, 12, 13.				
19 Frank J. Devlin — † Atlas				
19 1912	46,660	471,875	173,471	36.7
20 1911	47,089	481,678	222,457	46.1
20 1910	55,197	479,973	201,915	42.0
20 1909	54,280	454,999	153,033	33.6
18 1908	48,348	428,954	138,066	32.2
Writes in 1 to 13 inclusive, and in 16. † Includes Atlas-Manchester figures.				
20 H. R. Mann — New York Underwriters, Teutonia, Home of Utah.				
Total 1912	39,524	465,647	187,278	40.2
18 1911	29,508	505,905	179,026	35.4
18 1910	35,129	501,862	238,248	47.4
17 1909	35,280	502,532	206,303	41.0
15 1908	33,501	502,552	207,110	41.2
Write in all except 13, 14, 17, 18.				
21 W. Irving — Phoenix of London, Pelican Assurance.				
Total 1912	75,932	430,474	196,773	45.7
21 1911	87,427	456,750	200,323	43.8
22 1910	90,133	433,668	225,169	52.0
21 1909	81,811	454,043	200,731	44.0
22 1908	57,043	396,426	185,426	46.0
Write in 1 to 9 inclusive, 12 and 13.				
22 Geo. O. Hoadley — American of Newark, Rochester-German.				
Total 1912	48,930	405,663	206,013	50.7
26 1911	49,738	327,185	123,237	37.6
32 1910	51,775	240,273	108,809	45.3
31 1909	43,982	215,191	86,078	40.0
31 1908	49,587	208,826	67,253	32.2
Write in 1 to 6 inclusive.				
23 Catton, Bell & Co. (R. C. Medcraft, Mgr.) — Union of London.				
23 1912	64,505	373,689	210,060	56.2
22 1911	79,013	429,509	155,920	36.3
25 1910	72,754	327,699	151,431	46.2
23 1909	79,081	340,290	148,737	43.7
23 1908	93,141	370,227	120,420	32.5
Writes in 1 to 8 inclusive, and 9, 10, 13.				
24 Dixwell Davenport — National Union.				
24 1912	126,169	359,640	119,872	38.3
24 1911	151,818	423,413	107,392	25.3
1910	133,160	321,627	77,285	24.0
1909	58,596	224,917	88,099	39.1

INSURANCE OF ALL KINDS

Bad Effects of the Oregon Compensation Law

Brown & McCabe of Portland, Ore., have had twenty-six accidents to employees since October. Only one was caused by the defective gear of this stevedore company. During this brief period this firm has paid \$91,000 in wages and has been subjected to \$160,000 in accident claims! Judgments have been rendered already for \$27,800. This unfortunate firm has just been sued by a longshoreman employee for \$40,000, after accepting \$3,000 for a release in full!

This large stevedoring company has quit business because of the Oregon state compensation act. It is also stated that this act is causing six Oregon lumbering companies to sell out to capitalists in other states.

Columbian National Life Insurance Company

The special plan of organization which the founder of this Boston company made turned out to be in every way practicable and legitimate. It placed the Columbian National well to the fore early. The founder called and explained this plan to us, at a time when various managers were uneasy and uncertain, both as to its effects in competition and as to its ultimate effects. We interviewed some of these local managers and found several of them "at sea" and apprehensive, not so much as to the company adopting this method of stock organization as to the subsequent effect on promotions. Tyree plunged in with his Salt Lake company and for a time it looked as if "the woods" would be full of collateral stock companies advancing necessary funds for new companies.

But everything turned out all right, for this new Boston company certainly, which was enabled to put up its legal reserves and write a satisfactory amount of new business yearly.

Last year the Columbian wrote \$13,785,-689 new business, which is the largest amount since organized in 1902, excepting

of course the taken over business of the Colorado National in 1911. It was nearly two millions more than double the new business written in the normal year 1910. The insurance in force is \$56,415,886 which is a gain of about \$6,000,000 in a year.

The assets of the company make gains every year, and the excess of income over disbursements is large. The capital is \$1,000,000, and there is a substantial surplus of \$338,998. The income is two and a quarter millions.

Death of President of Germania Fire

Hugo Schumann, who has been with the Germania Fire Ins. Co. of New York for more than a half century, first as clerk, then cashier, secretary, vice president and president in turn, died last week in his 71st year, of angina pectoris and arterio sclerosis. The deceased was a native of Germany and came to this country at age 18. He served in the Civil War. Twenty-two years ago he succeeded Rudolph Garrigue as president of the Germania Fire and held the office until his death. Mr. Schumann was also a director of the Germania Life. Much of the success of the Germania Fire has been credited to his ability as an underwriter and directing official.

Sample Auto-Accident Headlines

Man Dead and Girl Fatally Hurt in Auto Wreck — Powerful Touring Car Goes Into Ditch.

Boise, Id.— This city lost, in the U. S. supreme court, its suit against the local water company.

Life.—No. 1 of Southern Agency Co. for the San Francisco Life, dated Los Angeles, has been received. This is an agents' bulletin of real excellence. "Advantages offered by the Younger and Smaller Life Insurance Companies" is the title of a good "editorial." In May this agency company wrote \$424,000 new business for the San Francisco Life.

Fireman's Fund's Half Century Year

Just 50 years ago this month the Fireman's Fund Insurance Company was organized in San Francisco. The organizers set aside a part of the receipts for firemen, who were mostly "call" men and half-paid in those days. The founders of the company wished to reward the firemen and fondly fancied that such a fund would enlist their best services and assure their loyalty. But a more practical view was soon taken and "the fund" went to swell the surplus for the protection of the policyholders. The name is unique, however, and serves to further distinguish a company noted as a favorite with agents and property-owners.

Last year's business was excellent generally, but heavy losses in Texas and Arkansas, which report to the Pacific department, sent the loss ratio for the home office field up several points above the usual favorable experience.

This semi-centennial year will doubtless be a record one for the Fireman's Fund, a golden one in fact as well as in name, as regards premium income; and if no great city conflagration occur, the assets on December 31 should be about eight figures.

The General Examined. Impairment Made Good

The United States branch of the General Accident of Perth, Scotland, has just been examined by the New York state insurance department. The liabilities are increased by the examiners \$354,355, but the receipt of \$243,456 from the home office gives it a good surplus. The deposit capital was impaired \$22,275. The reserve for unearned premiums had been incorrectly figured on a monthly pro rata business. The uncollected premiums were \$92,000.

The Sun of London now owns the Imperial Underwriters Corporation, of British Columbia.

Redlands, Cal., fruit interests were hit hard by the winter frost. Twenty packing houses are closed.

The Mutual Life of New York leads in the amount of dividends apportioned for 1913.

Home Life Insurance Company of New York

Three years past the half century confers on the Home Life added worth, because years have their value in the making of a stable company and the growth of good methods. This old company gained in premiums, in assets, in reserves, in surplus, in new business and in outstanding insurance, last year. That is a good all round record. Of the \$28,000,000 assets, the policyholders' surplus, exclusive of deferred dividends, exceeds \$2,000,000. This is very good security. State examiners have approved the Home Life's investments, praised its management, and attested its annual figures.

The Home Life is among the few companies having more than a hundred million of outstanding business.

In this field it is successfully represented by Frank Sperling, of San Francisco.

The Prudential First In Jersey

Each year for the past fifteen years The Prudential has led all life insurance companies in New Jersey in new business. In 1912 the amount of paid-for life insurance issued and revived in New Jersey by The Prudential exceeded \$41,000,000 on over 200,000 policies. The claims paid in New Jersey in 1912 were over \$2,600,000. This leadership of The Prudential in its home state is an indication of the confidence and trust which the people of New Jersey put in The Prudential. That confidence is further shown from the impressive statement that The Prudential now has in force in New Jersey over 1,380,000 paid-for policies, equal to over one-half the population of the state, and the paid-for insurance in force is nearly 250 million dollars.

Industrial insurance is increasing in the country but the number of companies writing it is decreasing. The leader is the Metropolitan, the next is the Prudential. All the others combined have less than half the outstanding insurance of either of these leaders alone.

A gentleman is born, not made.

CHIPS

—Marine decision on page 266.

—Automobile decision on page 267.

—The stock of the West Coast Life is \$200 bid.

—California fire agency decision on page 264.

—Wildcats are writing a wonderfully wide business' in mad Missouri. Later the loss claimants will be mad.

—The moral is plain. An Eastern mother spanked her unruly son and upset the oil stove in the melee. Results: twelve stores and three houses burned.

—Seattle.—A city fireboat collided with a ship tied up at a pier, over a year ago. The federal court today (June 13) sustained an award of \$200 against the city for damages.

—Southern California had a quick, quiet quiver of the earth, lasting several seconds, but doing no damage, last week. This followed the quake in southern Europe. A big one is due in Chili in just four years. The Canadian quake suggests one even farther north.

—Wright On Quantities: a plea for a better system of estimating cost of buildings in the United States: by G. Alexander Wright. This is an address delivered before the General Contractors' Association of San Francisco. Any reader interested is invited to communicate personally with the author of this pamphlet, at 571 California street, S. F.

—San Francisco.—Harold R. Mann, Jr., of the New York Underwriters Agency, is a wise young man. He has obeyed the laws and married a better half and is now a whole Mann. The bride was Miss Arabella Morrow. The happy couple have a new home in West Clay park, beneath a rain-bow.

—Politics in Fire Department.—Judge Mursky has ruled that the San Francisco civil service commission must certify to three names from the eligible list of firemen for promotion and not the first name. This ruling gives the fire commissioners a chance to do some politics, and of course is favored by the mayor, who declined to appoint any fire insurance man a fire commissioner.

—Life decision on page 263.

—Fidelity decision on page 267.

—The stock of the Western States Life is now \$8 offered, par value \$10, original cost \$25.

—Long Beach, Cal., which made 1,200 connections last year, faces a serious water shortage.

—In the East the weather is so warm that the ice houses and ice storage plants are burning.

—Error.—Our stenographer wrote "Met-calf" instead of "Medcraft," in a twenty-years-ago item on page 262.

—The wool clip of Montana fell off 5,000,000 pounds in 1912. Tariff changes as well as narrowing ranges will still further reduce the yearly clip.

—Cloverdale, Cal., is nicely and widely pictured and otherwise advertised by the May Hartford Agent and Agent Sedgley. It is a citrus fair town.

—San Francisco.—"Ike" Thornton, a local humorist, is married to Miss E. Stern. The realities of life are cheerfully faced by this happy couple, for they are fully insured in the California Knapsack Ins. Co.

—Acknowledged.—Fixtures, Trade Fixtures, Improvements and Betterments: by W. H. Daniels: price \$1.50. Rough Notes Co., Indianapolis, Ind., publishers. This is an exposition of rights and ownership of landlord and tenants with relation to their insurable interest. Many court decisions are cited, with pertinent quotations.

—The publisher of an alleged San Francisco insurance journal libeled the Northwestern Mutual Fire Association of Seattle, which later brought criminal and civil suits against him. He was unable to prove his published statements but escaped a jail sentence then, as the superior court ruled that the offending article was published outside the state of Washington. The supreme court, however, has ruled that the circulation of the article in the state made the California publisher subject to the jurisdiction of a Washington court. The Seattle company does not hope to recover any damages awarded it, we are informed.

—There are now two companies with \$6,000,000 capital—the Home of New York and the North British & Mercantile of London.

—The Coast headquarters of the North-western National are being moved from Oakland to San Francisco, where the visiting locals congregate.

—The Fidelity & Casualty Co. has \$2,281,284 surplus over all liabilities. Up to January 1 it had paid \$40,597,000 losses. It writes TWENTY-ONE kinds of insurance.

—A Fire Prevention Congress is to be held in Philadelphia this fall. Manager Porter of the San Francisco Inspection Bureau will be present.

—As previously announced by us the Hamburg-Bremen is considering re-entrance to California. The general agency should be offered to Rudolph Herold Jr.

—The Nebraska Association of Life Underwriters has unanimously recommended that the 1915 convention of the National Association be held in San Francisco in 1915 at the time of the World's Insurance Congress.

—Among our recent callers were "Jack" Marshall of Chicago—of Marshall & McElhone, managers of the Central department of the Fireman's Fund; and Insurance Commissioner Done of Salt Lake City, Utah.

—New appointments to the "National Council" of the World's Insurance Congress are: Thos. L. Miller, Pres., West Coast Life., S. F.; delegated by American Life Convention, T. W. Blackburn, Secy. Omaha, Neb. John A. Tory, of Sun Life of Canada, Toronto, Ont.; delegated by Life Underwriters Assn. of Canada, Toronto.

—Two Dry Seasons in California.—Both 1912 and 1913 have been dry seasons, with only half the normal rainfall. Crops are failures in many sections and few report more than half yields. Fruit, grazing, dairying, grain, hay, nuts and vegetables are more or less seriously affected. This ill fortune follows great frost damages during the winter. Business of all kinds is affected. It is the first time in half a century that two dry seasons have been consecutive. Fire underwriters will expect deficient water supplies and increased fire losses.

—Denver.—Epsteen, our new insurance commissioner, has put the Lincoln Annuity of San Francisco on the blink by refusing to license it.

—A weekly insurance newspaper is needed on this Coast, and if our readers will ask us to do so, we'll turn the old Coast Review into a weekly. Let us hear from you.

—Local agents should have a bulletin board on which to post important things—including extracts from the Coast Review, for present and future reference.

—The Oklahoma, New York and other departments examined the Southwestern Surety's as of March 31, and reduced the surplus \$30,000. They increased the reserve \$56,000, mostly on four claims. The company's early underwriting is criticized by the examiners. In 1912 there was an underwriting loss of \$189,712. The decrease in surplus was \$161,046. The underwriting loss for the first three months of 1913 was \$147,820. The decrease in surplus was \$133,499.

—Personal.—United States Manager Franklyn of the Frankfort General is visiting the Pacific West.

Zeno K. Myers of the Island is visiting San Francisco, which voted to take the tariff off sugar. Zeno has blood in his eye.

—Pocket Veto of Safety Fund Measure.—The so-called safety-fund act, modeled on similar laws in New York and elsewhere, received at the hands of the governor of California a "pocket veto." No reason for this action is given.

—Personal.—General Agent Whitney Palache, accompanied by his two sons, will soon visit Europe. Mr. Palache recently lost his wife by death. Mrs. P. was a daughter of the late Judge Garber and was a social and women's club leader in Berkeley.

—President Green Resigns.—E. F. Green, who has been with the company since its organization, has resigned the presidency of the Pacific Coast Casualty and retired from the company. His successor has not yet been appointed. The new interests are now in control.

—When the Coast Review becomes a weekly it will print no fake telegrams.

Fraudulent Fire Companies Fired

Three Delaware companies' licenses were revoked by the Delaware authorities last week—the Home Fire, the Mercantile and the American. They have been doing a fraudulent business, through the mails. No claims against them can be collected.

National Commissioners' Convention

Commissioner Done of Utah, chairman of the committee on publicity and conservation of the National Convention of Insurance Commissioners, announces the division of the committee into three sub-committees. The first committee, consisting of Commissioners Preus of Minnesota, Gill of Texas, and Havey of Maine, will devote its immediate attention to the subject of publicity and education; the second consisting of Commissioners Basford of South Dakota and McMaster of South Carolina, will consider life conservation with accident prevention; the third, consisting of Commissioners Darst of West Virginia and Taylor of North Dakota, will give special attention to conser-

vation of property from fire. The chairman of the committee will act in an advisory capacity with each sub-committee.

The man who draws a gun after him through the fence and is found dying is now mentioned in the papers which he never read.

The General Accident has withdrawn from four states. Less business will be written elsewhere. John A. Kelly has resigned as manager.

Fire.—Fourteen bldgs. in the village of Sunrise, Alaska, were burned, June 12. Cause, defective flue. Loss small.

Santa Barbara, Cal., June 7. — Hotel Potter was on fire at an early hour this morning, but the blaze was confined to the west wing. There was a similar fire a year or two ago.

Fire: Tacoma Lumber & S. Co. mill on Tacoma waterfront burned June 14. Insurance \$12,000. Recently bought by Scott & Donahue.

Pacific Mutual For Pacific Coast Agents

*The Best Opportunities for High Class Field Men
in a Company with a Clean Past and a Great Future*

CALIFORNIA AGENCIES:

LIFE DEPARTMENT

JOHN NEWTON RUSSELL, Jr., Manager
517 West Sixth St., Los Angeles

KILGARIF & BEAVER, Inc., Managers
5th floor, Shreve Bldg., San Francisco

WHITTINGTON & COLLINS, Gen'l Agents
1010 Van Nuys Bldg., Los Angeles

ACCIDENT DEPARTMENT

THE McCUISTION CO., Gen'l Agents
414 Story Bldg.,
Los Angeles

F. A. STEARNS, Manager
5th floor, Shreve Bldg.,
San Francisco



Organized 1868

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1912) . . . \$9,558,099.00

NET SURPLUS, " 3,738,799.00

E. F. BEDDALL

President

N. S. BARTOW

Secretary

GEO. W. BURCHELL

Vice-President

Gross Assets, ^{JAN. 1} 1912 \$99,466,277

Exclusively Fire Assets 44,632,557

Net Surplus, - 16,652,238


Losses paid, 235,136,672

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager

LIVERPOOL, ENGLAND

DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta
San Francisco, Montreal.  Agencies in all principal Cities and Towns



ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING. SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

FIRE

The Glens Falls has entered Louisiana and Mississippi.

H. T. Lamey, Denver, has been appointed general agent of the Nord Deutsche for the Mountain field.

The Northern of New York—no connection with the Northern of London—has transferred its California agency from Bertheau, Selbach & Bertheau to Mc. C. Kelley. This company is some five years old and has \$1,304,000 assets.

The 25 percent stock dividends of the Springfield F. & M., payable July 16, gives the company \$2,500,000 cash capital.

On retiring from Missouri the companies permitted agents to fill them up to the brim with additional insurance. Hence the long and drooping tale of woe because of a half million loss in

the old town Springfield. There is no way of escaping the show me jynx.

The Commercial Fire won in Washington before Justice Bernard, who holds that its Southern building is worth \$2,000,000.

In New York.—A recent interesting event was a dinner given to Mr. A. R. Hosford, assistant manager of the Royal, and president of the Insurance Society of New York. At this dinner, Mr. Hosford was presented with a handsome silver token bearing his monogram and also this motto: "A good fellow—a good friend—some chairman." Mr. Hosford will be remembered as one of the "big five" who had largely to do with the prompt and equitable adjustment of losses after the San Francisco disaster in 1906.—Insurance Age.

Portland, Or.—J. G. Mack & Co., mattress department destroyed by fire, with \$50,000 damage.

The Hartford Fire has entered Cuba.

Fire and Automobile Insurance

American of Newark

Chartered in 1846

Capital Stock	-	\$1,000,000.00
Liabilities	-	5,431,072.05
Special Reserve Fund	-	300,000.00
Net Surplus	-	3,135,102.52
Total Assets	-	\$9,866,174.57

P. L. HOADLEY, Pres't.

C. W. BAILEY, Sec'y.

Pacific Department, San Francisco, California

GEORGE O. HOADLEY, Manager

THOS. H. WILLIAMS, Asst. Mgr.



Main Offices
56 Cedar Street

ORGANIZED
APRIL 13th, 1853

THE HOME Insurance Company NEW YORK

ELBRIDGE G. SNOW,
President

The completion of SIXTY YEARS finds THE HOME in the premier position among the Insurance Companies of the world not only in respect of FIRE ASSETS and SURPLUS to POLICY-HOLDERS—but with an unexcelled record for fair dealing in every emergency as well as in ordinary routine—with an unsurpassed equipment, and with the ability as well as the readiness to serve the public, its agents and brokers.

FIRE

AUTOMOBILE

NIAGARA FIRE Insurance Company

Assets, - \$6,981,389.16 Surplus to Policyholders, - \$3,664,392.31

DETROIT FIRE & MARINE Insurance Company

Assets, - \$2,194,259.14 Surplus to Policyholders, - \$1,549,532.75

NIAGARA - DETROIT UNDERWRITERS

Assets, - \$10,661,489.00 Surplus to Policyholders, - \$5,966,544.00

EDWIN PARRISH, Manager

Pacific Coast Department 334 Pine St., - San Francisco

MEN WHO CAN DO THE WORK

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

UNION MUTUAL LIFE Insurance Company

PORTLAND, MAINE.

FRED E. RICHARDS, President

Address ALBERT E. AWDE, Supt.,
396 Congress St., Portland, Maine.

GEORGE E. HUNT, Manager
Shreve Bldg., San Francisco

T. H. McAllis, Manager, Sherlock Bldg. Portland, Ore.
P. B. Duren, Manager, Boston Block, Seattle, Wash.
The Western States Agency Co., Manager, 225 Foster Building, Denver, Col.
J. E. Evans, Manager, Vancouver, B. C.

Fire.—Barber, Cal., hotel firetrap, wood, two and a half stories, burned to ashes at night in a few minutes. Two dead, many other guests badly burned. One man fell into the debris and his ear was burned off.

National Union Fire Insurance Company

of Pittsburg, Pa.

Cash Capital, - - - - - \$1,000,000.00
Surplus to Policyholders, - - - - - 1,545,227.00
Assets, - - - - - 4,136,638.00

**METROPOLITAN DEPARTMENT
SAN FRANCISCO**

604 Merchants Exchange Building

DIXWELL DAVENPORT, E. C. DIETZ,
MANAGER ASS'T MANAGER

FIELD REPRESENTATIVES:

R. R. Roper, NORTHERN CALIFORNIA
604 Merchants Exchange Bldg, San Francisco
Wm. M. Stodghill, SOUTHERN CALIFORNIA
302 Stimson Building, Los Angeles, Cal.

Bob Ruben, head of the New York arson trust, got off with so light a sentence as from 6 to 10 years.

An insurance agent working under a contract providing for return of commissions retained by him from premiums on policies afterwards canceled was liable for such commissions, irrespective of whether the policies were canceled before or after the termination of his agency.—National Union Fire Ins. Co. v. Nason, 131 P. 755.

He drinks whiskey always to this toast
“With all thy faults I love the still.”

Licensed by the State of California Insurance Department.

Property Underwriters Association

Of San Francisco, Cal.

AUTOMOBILE INSURANCE

Complete Coverage

FIRE INSURANCE

MOTOR CYCLE INSURANCE

C. J. STOVEL, Manager and Attorney

Stovel Bldg., San Francisco

Telephone Kearney 2568

Branch Office: No. 207 I. W. VAN NUYS BLDG., LOS ANGELES

Coroner Phelan of Bridgeport, Conn., recently said that while in the case before him the driver acquitted herself with the necessary skill, he has "a conviction that situations and emergencies frequently arise when masculine rather than feminine skill and judgment in the management of machines

are required for the protection of life and limb in public places."

Mrs. Margaret A. Janney can hear of something to her advantage by corresponding with the Connecticut Mutual Life, Hartford, Conn.

Colorado too has a minimum wage law for women and minors.

THE WILLIAMSBURGH CITY

FIRE INSURANCE COMPANY

Of NEW YORK, N. Y.

Incorporated 1853

CASH CAPITAL, : : \$600,000.00

THIS sterling, old established company announces its special **TOURIST FLOATER POLICY** covering movable personal effects of the entire family, wherever they may be, against all the risks of transportation in addition to protection against the fire hazard, whether in automobiles, hotels, laundries, railroad stations or steamboat decks, from the time the property leaves with the family until its final return—the policy being broad and liberal and covering property the world wide over.

A **WILLIAMSBURGH CITY FIRE** agency connection is an invaluable asset to a live producing agency; the company in addition to its old-time, standard, fire policy, making special features of the automobiles hazard, the tourist floater policy, and its farm department, and offers exceptionally large line carrying capacity, together with fullest equitable commissions consistent with its enviable record of permanency—agents throughout every state in the country for a period exceeding half a century attesting to its record of not being a fair weather friend, but a dependable company. Agency correspondence solicited.

Apply to **ASSOCIATED UNDERWRITERS, Inc.**

J. F. MAGEE, President

374 PINE STREET, - - - SAN FRANCISCO, CAL.

Agents Do Well who Represent the

SAN FRANCISCO LIFE INSURANCE COMPANY

**Experienced Life Insurance Men
and Successful Business Men Direct its Affairs**

Business and Resources are Increasing. Interest Earnings are
6.30 per cent. Low Mortality Experience Shows
Good Class of Policyholders.

Home Office: 57 POST ST. San Francisco, Cal.

GERMANIA

FIRE INSURANCE COMPANY,

NEW YORK.

ORGANIZED 1859.

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

HEAD OFFICE

Cor. William and Cedar Sts.

FIRE

New buildings in Missouri—and new stocks and uninsured property generally—can not be insured in sound companies, which decline to write under the new law. Property on which insurance runs out must remain unprotected. If the state insurance department revokes licenses, the companies

may cancel outstanding insurances, but otherwise anyway there will be no agents to endorse changes on policies. Burned Springfield is unable to rebuild because of lack of insurance protection. This, or something like it, California escaped because of the failure of the proposed state rating law. In Missouri the locals' only insurance income now is from charges for endorsements, which charges they are now making.

Owing to discontinuance of writing in burning Missouri, the fire companies will no longer support the fire patrol in St. Louis, after thirty-six years of service.

Hall & Henshaw of New York have been appointed United States managers for the Law Union & Rock, for all territory east of the Rockies.

For Colorado, New Mexico and Wyoming the Westchester will hereafter be represented by H. T. Lamey. This territory has been reporting to San Francisco.

LIFE

Has rate-cutting in life insurance begun? The Y. M. C. A. is insuring its members in a specially low rate, in the Ætna Life. This is a cut direct—at the life insurance solicitors.

The Mutual Life of New York leads in dividends paid policyholders last year. The Equitable is second.

Mortality Record of The Mutual Life Insurance Company

For several years the marked improvement in mortality has been noteworthy, that of 1912 especially so. In 1910 the ratio of actual to expected mortality was 78.5, which was materially below the average of the preceding four years. In the report of a year ago it was noted that, with nearly forty-one millions more insurance in force at the close of 1911 than at the end of the previous year, the total of death claims paid was less, while the ratio of actual to expected mortality incurred was only 77. The business of 1912 shows a still lower ratio of death claims

incurred, to wit, 72.8; while the death claims paid in the year were \$162,606 less than in 1911, notwithstanding the fact that insurance in force at the end of the year was nearly forty-six millions (\$45,913,401) more than at the end of the preceding year, and notwithstanding the loss in 1912 of 15 lives with \$270,000 insurance in a single accident—the wreck of the Titanic.

Cairo, Ill., June 20.—A few miles south of this Mark Tapley city a pullman-car turned over in motion and killed two passengers and injured eleven.

GOOD AGENTS WANTED

THE West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS—THOS. L. MILLER, *President*
C. O. G. MILLER, *Vice-President*
JULIAN SONNTAG, *second Vice-President*
WILLIAM C. HAMMOND, *Secretary*

Health and Accident Insurance

KIMBALL C. ATWOOD, *President*
WILFRID C. POTTER, *Secretary*

The
Preferred
Accident Insurance Co.
OF NEW YORK.

Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT:

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

GENERAL

Modesto, Cal., now claims a population of 7,500, a gain of a thousand in a year.

San Francisco.—The Board of Fire Underwriters is preparing a report on the high pressure system.

J. H. Ethel, a Washington sawmill owner charged with arson, jumped his bail and resisted arrest at his home and killed a sheriff deputy. The posse fired repeatedly into the house and then set it on fire. Ethel's body was found in the ruins.

The sole legitimate function of legislation in dealing with insurance is to make the policyholder secure.

Anything more than this is impertinence and injustice, and a forcible curtailment of business rights.

Rates may be safely left to competition. Insurance can never be a monopoly.

Spokane Fire.—Plant of Spokane Brewing & Malt Co. burned June 20, with \$70,000 loss.

Cincinnati, June 20.—The fire engine-houses in this city have been turned, temporarily, into ice-houses for the distribution of ice during the ice-men's strike. Fires are maintained under the engines just the same.

Seattle.—Local bankers bought the \$975,000 refunding bonds of this city. They are \$500 bonds and will be sold to local investors. Collier's scores our chamber of commerce and Banker Chilberg who heads a local fire insurance company. This city pays an assessment of \$8,495 levied by the state industrial insurance commission.

Fire.—McKittrick, Cal., laments the loss of its business district by fire, June 21. Fire protection nominal in this oil town. Some eleven saloons and stores and a hotel destroyed.

Surety.—The American Surety paid the \$1,769 loss by the Von Lobensells' contract abandonment in San Francisco.

HOME LIFE INSURANCE COMPANY OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—“The Com'cl & Fin'cl Chron.” 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,
256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department, 123 William St., New York, N. Y.

Liability

Workmen's Collective

Workmen's Compensation

Burglary

Personal Accident and Health

Industrial Accident and Health

Agents Wanted For Unoccupied Territory

Apply to New York office or to

WALTER A. CHOWEN,

Pacific Coast General Agent

340 Sansome Street

San Francisco

AGENTS WANTED

To Solicit Subscriptions for The Coast Review, now in its 42d year. Good commissions. Sample Copies sent in advance. Will pay well any active man. Special offerings. Write Publisher for further particulars.

You Wish to Be Paid Well

for Your Efforts.

Producers receive liberal compensation
under the

Direct Agency Contract of the Manhattan Life

A top-notch renewal income assured to years to come.

Several pieces of excellent territory, with exclusive rights, open for men of character and ability.

For particulars address:

**The Manhattan Life Insurance
Company**

66 Broadway - New York
JOHN LANDERS, Manager.

FIRE

The New York department is examining the Hanover Fire of New York and the Columbia National Fire, of Detroit the latter having filed its application for entry into the state.

The Law Union & Rock will remove its U. S. branch headquarters from Chicago to New York.

As first announced by the Coast Review, the City of New York will increase its capital to \$1,000,000.

Logan, Utah, rejoices in a high cost motor pumping engine.

President Evans of the Continental returned from Europe on the new great Imperator.

LIFE INSURANCE NOTES

The Spectator publishes a table which shows that the persistency of policies is gradually becoming greater. Since 1893 the lapse percentage has fallen from 6.74 to 3.13. In the same time the surrender percentage has fallen from 2.62 to 1.97.

Minority stockholders are opposing the mutualization of the Prudential.

The Union Central Life building in Cincinnati is the highest sky-scraper west of New York. It tops the Smith cloud-comPELLER in Seattle.

Life Legal Brevities

Applicant for life insurance held chargeable with knowledge of the provisions of his

policy, and conclusively presumed to have received the kind of policy he desired, and to have understood and assented to its terms and conditions. *Danner v. Equitable Life Assur. Society of United States*, 141 N. Y. S. 442.

Under N. Y. laws a tontine life policy, and the application therefor, insured held not entitled on a default in the payment of premiums during the tontine period to a paid-up policy for the amount of the accumulated reserve.—*Id.*

A state insurance commissioner, having control of rates, dare not increase them, though proved far too low. If he does, the dear insured will vote him out of office.

SOME OF THE ADVANTAGES ENJOYED BY EQUITABLE REPRESENTATIVES

The backing of one of the largest and strongest financial institutions in the world.

A Participating Company.

A Prompt Paying Company. Of the 5,089 domestic death claims paid by the Equitable during 1911, 5,035 or nearly 99 per cent were paid within one day after receipt of "Proofs of Death."

A Company whose policies are standard contracts, drawn to conform to the insurance laws of New York and other States.

A Company issuing every desirable form of insurance including Corporation Insurance, Income Insurance, Employee Insurance, Home Purchase Insurance, Joint Life Insurance and a large variety of Annuities.

A Company large and Strong enough to insure applicants for large amounts under a single policy.

A Company whose policyholders include the world's Captains of Industry whose identification with the Equitable is in itself an endorsement.

A Company granting insurance to sub-standard physical risks—bringing protection within the reach of applicants who might otherwise be deprived of it and saving business for the agent.

A Company which insures women at the same premium rate as men.

A Company whose canvassing documents are comprehensive, adequate and attractive.

A Company engaged in a broad "conservation of life," movement—aiming to lengthen the lives of its policyholders as well as insuring them.

A company that has withstood every conceivable test—wars, financial panics, epidemics, and lastly, a great fire

The Society has openings in practically every State for energetic agents of character and ability.

Address **H. L. ROSENFELD, Assistant to the President**

165 Broadway **The Equitable Life Assurance Society of the United States** New York

REPUBLIC UNDERWRITERS

POLICIES UNDERWRITTEN BY THE

AUSTIN FIRE INS. CO. and the COMMONWEALTH FIRE INS. CO.
of DALLAS, TEXAS

TOTAL ASSETS OVER \$1,174,970.99
SURPLUS TO POLICYHOLDERS OVER 738,629.96

LOCAL AGENTS WANTED

243 SANSOME STREET
SAN FRANCISCO, CAL.

ANDERSON & EDWARDS, Managers

LAW

Industrial Decision.—A soliciting agent of an industrial insurance company, who has charge of a "debit," solicits new insurance, delivers policies, collects for insurance

theretofore written, and deals with the plain people, may waive a provision in a policy that the policy shall be void, if assigned.—*Jones v. Prudential Ins. Co. of America*, 155 S. W. 1106.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General Manager

Union Assurance Society, Ltd.

1714

OF LONDON

1913

Assets, \$6,000,000.00

CATTON, BELL & CO., General Agents

R. C. MEDCRAFT,
Manager

JOHN E. COSGROVE,
Ass't Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—WM. M. FATTERSON, Portland
F. F. RICHARDS, Los Angeles

I. M. FISHER, Jr., Spokane
F. A. STAHL, Sacramento

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets, - \$995,596

Capital, - \$300,000

Surplus, - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

332 Pine St.,

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

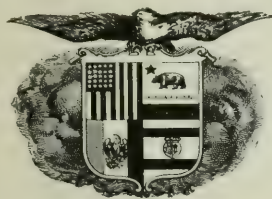
Premiums received since organization, 1846-1912 \$280,438,555.87

Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.
President, **JOHN M. TAYLOR**, Hartford, Ct.



Los Angeles Fire Insurance Company

Los Angeles, Cal.

Cash Capital, (Fully Paid), - - \$200,000.00

Secure An Agency of This Home Company.

A Good Agency Company.

San Francisco Office, 334 California Street

CALIFORNIA NATIONAL LIFE Insurance Company

Safe .. Sound .. Conservative

HOME OFFICE

Timken Building

SAN DIEGO, CALIF.

THE THIRD CLASS LOCAL AGENT

WHAT would you think of a local agent who never talked about insurance? about its cost, income and profits, its commissions, taxes and expenses? He wouldn't know much about the business, would he?

Now an insurance journal is but authoritative talk about insurance, backed by libel liability.

Any local agent who doesn't read about insurance in an insurance journal is a Third Class Local Agent.

He is not up to date in news, in principles, in practices, in court decisions, in knowledge of the condition and prospects of the insurers.

He is like a cheap skate of a lawyer who never reads a court decision, or a bum doctor who never reads a medical journal.

This 3rd rate local agent saves a cent a day but he may cost his patron 5,000 when a loss is settled—and thereby lose friendship and \$500 commissions.

Sample page of the Coast Review Pacific Fire Chart for 1913

AMERICAN COMPANIES

CAPITAL NET SURPLUS. YEAR ORGANIZED.	FINANCIAL CONDITION				INCOME		EXPENDITURES		RATIOS		PACIFIC DEPT.		
	GROSS FIRE ASSETS	LIABI- LITIES	SURPLUS AS TO POLICY- HOLDERS	REINSUR- ANCE RESERVE	NET PREMIUMS RECEIVED	TOTAL EXPENDI- TURES	LOSSES PAID	EX- PENSES	LOSSES TO PREMIUMS	EXP'S TO PREMIUMS	PREMI- UMS RECEIVED	LOSSES PAID	LOSS RATIO
ST. PAUL F. & M.													
St. Paul, 1865	8,788,319	5,438,948	3,351,370	4,854,755	5,973,181	6,254,109	3,291,281	2,112,889	55.1	35.3	311,124	116,851	48.0
Capital	5,028,845	3,183,482	2,549,263	4,651,738	5,575,865	5,907,712	2,782,062	1,082,270	49.9	37.7	522,005	123,412	49.4
Net Surplus	3,759,474	2,255,466	802,107	2,203,017	5,014,063	5,290,241	5,010,993	7,028,829	52.2	43.1	531,119	164,001	47.4
	3,281,028	4,230,178	2,954,920	3,772,124	4,730,633	4,479,894	5,151,756	1,692,539	50.8	31.4	323,159	117,034	36.3
	3,430,255	3,703,233	1,727,022	3,381,410	4,384,860	4,627,353	4,737,500	1,515,733	63.8	31.6	303,123	122,839	40.2
SECURITY													
Capital New Haven, 1811	4,074,420	2,178,280	1,806,217	1,951,937	2,021,704	2,185,599	1,029,039	889,019	50.8	41.5	153,881	58,393	34.0
Capital New Haven, 1811	3,916,120	1,975,833	1,910,287	1,744,283	1,815,311	2,234,848	920,389	729,161	50.7	43.6	169,085	67,007	35.0
Capital	3,117,448	1,777,657	1,339,702	1,383,540	1,622,814	1,905,273	774,025	715,929	47.7	44.1	151,680	47,776	31.5
Net Surplus	2,570,473	1,552,771	1,017,702	1,093,540	1,499,888	1,594,939	708,818	620,854	39.2	46.3	121,717	39,676	32.6
	2,350,439	1,380,003	960,530	1,232,688	1,323,808	1,494,498	682,755	569,524	51.6	43.0	109,335	24,297	22.2
	528,784	222,085	306,600	156,242	239,187	464,600	125,401	142,725	52.0	50.7	2,545		
Southern States													
Capital	11,056,693	5,790,639	5,266,553	5,001,291	5,456,731	5,961,979	2,894,271	2,205,869	53.0	40.4	714,060	311,912	43.7
Net Surplus	9,268,143	5,537,140	4,870,708	4,739,798	5,241,628	5,671,549	3,010,876	2,086,379	57.4	39.7	708,882	281,029	39.6
	8,200,000	4,642,242	4,642,242	4,575,479	5,243,334	5,293,949	2,883,911	2,128,514	54.6	40.5	700,177	352,446	49.7
	3,268,653	5,062,898	4,699,282	4,369,974	5,307,622	5,662,075	2,551,077	2,002,550	47.5	38.7	730,094	280,841	38.5
	8,519,934	4,616,033	3,903,901	4,032,020	4,925,109	5,444,723	2,557,908	1,962,783	51.9	39.5	718,076	276,210	38.4
	1,494,297	184,166	1,310,131	142,369	244,861	305,354	22,946	149,751	99.3	61.1			
STERLING													
Capital	1,195,363	378,749	816,614	332,988	438,108	480,515	168,414	197,880	38.4	45.1	24,636	7,131	29.0
Net Surplus	500,000	239,603	880,775	216,439	824,368	836,384	97,054	139,323	32.8	47.1	9,415	500	55.3
	316,614	108,772	937,321	96,875	157,301	632,433	17,259	80,821	10.9	51.3			
	1,436,869	767,165	669,704	609,092	1,029,039	2,502,401	678,888	319,813	65.4	31.2	29,000	8,905	30.0
	1,337,275	659,581	677,695	530,616	914,653	966,086	583,439	277,881	62.8	36.3			
Tautonia													
Capital	1,118,610	697,089	421,551	632,221	885,639	924,776	490,324	338,248	55.4	38.1	79,067	28,522	36.0
Net Surplus	1,043,298	663,518	401,310	595,888	868,829	871,320	507,595	397,393	58.4	36.5	81,356	29,482	36.2
	949,230	641,988	388,825	565,408	827,620	833,734	452,214	310,403	50.9	38.3	88,274	39,314	44.5
	171,551	560,405	373,617	507,345	828,637	861,834	500,736	307,681	39.2	39.4	93,719	21,913	26.6
	909,494	535,847	373,617	478,457	844,418	864,357	523,427	316,293	62.0	37.4	92,005	29,486	32.0

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
Occidental Life Insurance Co.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.



THE NEW YORK UNDERWRITERS' AGENCY

Cash Assets January 1, 1913,	- - - -	\$26,492,318.21
Net Surplus January 1, 1913,	- - - -	8,513,692.22
Surplus to Policyholders January 1, 1913,	- - - -	10,513,692.22
Losses Paid, Over	- - - -	158,607,806.03

H. R. MANN, Manager

F. M. BRANCH, H. R. MANN Jr., Assistant Managers

Pacific Department: 339-341 Sansome St., San Francisco

SPECIAL AGENTS AND ADJUSTERS:—V. H. QUITZOW, A. C. ANDERSON, SAN FRANCISCO, CAL.; A. E. BAILEY, PORTLAND, OREGON; H. HARRY SMITH, LOS ANGELES, CAL.; H. B. HAGEN, SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO. OF TORONTO (INCORPORATED 1833)

United States Assets	\$1,746,624.71
Liabilities in United States	1,045,080.89

Surplus **\$701,543.82**

PACIFIC COAST DEPARTMENT
129 Leidesdorff Street, - San Francisco
W. L. W. MILLER, Manager

A movement is on foot in Colorado to have the newly enacted insurance code submitted to a referendum before it goes into effect on July 15. Attacks are being made upon it on account of alleged discrimination in favor of Colorado companies, and it is contended

that the code virtually takes investigations and examinations out of the hands of the insurance commissioner by requiring that the governor approve every such move.

Parlor matches in Minnesota will not be legal after June 1, 1914.

American Central INSURANCE COMPANY
of St. Louis Established 1853
Assets. \$5,549,279 Surplus to Policyholders. \$2,410,275 Losses Paid. \$26,531,745

St. Paul F. & M. INSURANCE COMPANY
of St. Paul, Minn. Established 1865
Assets. \$8,785,319 Surplus to Policyholders. \$3,351,370 Losses Paid. \$44,006,102

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS
of St. Louis Assets. \$5,549,279
Surplus to Policyholders. 2,410,275

Minnesota UNDERWRITERS
of St. Paul Assets, \$8,785,319
Surplus to Policyholders. 3,351,370

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817 Of PHILADELPHIA Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital, -	\$ 750,000.00	Cash Assets, -	\$9,091,141.00
Net Surplus, -	2,590,263.00	Policyholders Surplus, -	3,340,263.00

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets, -	\$26,907,330.00	Surplus to Policyholders, -	\$12,185,135.00
-----------------	-----------------	-----------------------------	-----------------

Net Losses Paid in San Francisco in 1906, - - \$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada

Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles

315 California Street, - - - San Francisco

FIRE

George D. Markham of St. Louis, formerly president of the National Association of Local Agents, is writing freely in non-resident companies and associations willing to operate under the new Missouri law. He thereby becomes a "black sheep."

The field men of the Scottish Union & National will visit the home office in Hartford, Conn., next month to participate in the dedication of the new office building.

LIFE

The Royal Corporation of democratic Chicago has died without flowers. Its ambition was to capture a string of small life companies, needing a Royal protector.

A Winner?—Atlanta, Ga., has a new life company — the Cosmopolitan, with a Prudential man at the head, James O. Wynn.

Kansas still rules against combination policies because "they are confusing" to the ignorant Kansan.

San Diego —The president of the exposition (D. C. Collier) has never received a penny of the fair funds though he has trav-

eled to all the capitals of South America to make the show a success. The railroad to Yuma is to be completed in time.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES. \$2,826,707.00

Office : **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

Statements showing the standing of the

CALEDONIAN	INSURANCE COMPANY	Of Edinburgh
	The oldest Scottish Fire Office	(Organized 1805)
Capital	\$5,078,365 32	Assets, \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN	INSURANCE COMPANY	Of New York
Capital . . . \$200,000 00	Cash Assets . . . \$253,114 00	Surplus to Policyholders . . . \$238,104 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,405 19
------------------	-----------------	-----------------------	----------------

Pacific Department Office : 430 California Street, San Francisco.

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

LIFE

The Independent Life of Nashville, Tenn., has found it needful to reduce its capital from \$300,000 to \$100,000 and reorganize. Same old story.

The Negro National Life, with \$250,000 capital is an Arkansas fact with some significance of industrial development and future possibilities of wealth and opportunity for the black people—or the blackguards who may wreck the new company. The new company has been officially recognized as *de jure* and *de facto*.

The Home Life of Oklahoma has re-insured.

The International has appointed E. H. McConkey general agent for the Coast.

Texas' attorney general rules that "survivorship fund" contracts are in violation of the law against special or board contracts.

Robert J. Rubin, the New York adjuster and "king of the arson trust," was sentenced this week to not less than six years in Sing Sing prison nor more than ten.

We very much fear that in no distant future life insurance men will be grieved by the forced retirement of about a hundred life insurance companies. The pace is killing. But probably only the stockholders and not the policyholders will be the sufferers. Consolidation is only just beginning. The various state insurance departments, as well as the stockholders, must be vigilant, or dividends and expenses will consume all the "loadings" and exceed the "savings," thus leaving no surplus for the inevitable days of difficulties.

TO PHOTOGRAPHERS.—The Coast Review would like to have striking photographs of burning buildings or ruins of

the same. If acceptable, will pay bill; if not, will return by mail.

POSTMASTERS are authorized to accept subscriptions for this journal.

CASUALTY

The American S. & C. of Texas has discontinued writing bonds.

The Fidelity & Casualty Co. has opened its Metropolitan office in New York city on the ground floor of 92 William street.

The Minnesota compensation law goes into effect Oct. 1, 1913.

The third annual convention of the International Association of Casualty and Surety Underwriters will be held July 8 to 10 at the Chateau Frontenac, Quebec.

An illustrated weekly prints interesting views of the recent tornado damages in Omaha, and calls attention to the fact that the far greater part of the damage to brick buildings was done to the second story. This was also the case with buildings damaged in the Charleston earthquake of 1885 and the California earthquake of 1906.

British liability companies set aside from 31 to 67 percent of the premiums as unearned. Nearly all set aside 40 percent.

GENERAL

California now has a "blue sky" investment or promotion law, protecting innocent merchants who believe fire underwriting will pay from 30 to 40 percent on the capital invested.

The "blue sky" law of Iowa is to be tested in court.

The Nord Deutsche (North German) will write marine business in this country, under Hermann & Co.

Manager Holland of the Royal Indemnity is touring this Coast.

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

**POLICY
PROVIDING
PERFECT
PROTECTION**

HOME OFFICE
SEATTLE

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.

U. S. A.

\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over **\$500,000.00**

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets	\$2,464,562.05
Liabilities in United States	1,446,243.42
<i>Surplus</i>	\$1,018,318.63

PACIFIC COAST DEPARTMENT
129 LEIDESDORFF STREET - - - SAN FRANCISCO
W. L. W. MILLER, Manager.

Total Assets Represented over **\$20,000,000**

Svea
Insurance Company
of Gothenburg

Agricultural
Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire
Insurance Company
of New York

Hamilton Fire
Insurance Company
of New York

Globe Underwriters
of New York

EDWARD BROWN & SONS
General Agents Pacific Coast Department
202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

ONE HUNDRED YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH
(which are but a small part of total fire assets of the Co.)

\$9,139,794.00

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

JOHN McC. ANDERSON, Resident Secretary, Local Dept.

234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON
OREGON, MONTANA.

P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN
WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH
WYOMING.

CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA,
and ARIZONA.

G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, SAN
FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$ — in premiums." "My business is chiefly —." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye. They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824,

North American Branch:

Hartford, Conn.

JAMES H. BREWSTER

MANAGER.

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash.,
Oregon, Washington, British Columbia.

JOHN M. HOPKINS, State Agent.

JOHN L. REAMS, Special Agent,
706 Gas and Electric Bldg., Denver, Colo.,
Colorado, Wyoming, New Mexico, Utah,

H. C. EDMUNDSON, Realty Building,
Spokane, Wash.,

East'n Oregon, Washington, Montana, Idaho

H. W. FORES, San Francisco, Cal.,
General Agent, California, Nevada, Arizona.

SAN FRANCISCO OFFICE:

409 California Street

The Northern Assurance Company Limited

OF LONDON

Established 1836

Accumulated Funds, \$39,436,873.00
 Invested in the United States, 5,303,005.00

FRED C. H. ROBINS, Manager Metropolitan District

330 California Street, - - - - - San Francisco

(For San Francisco and Bay Counties)

PACIFIC COAST DEPARTMENT:

CHICAGO, ILLINOIS,
 G. H. LERMIT, *Manager*
 J. C. CORBET, *Ass't Manager*

PACIFIC COAST SPECIAL AGENTS:

D. R. ATKINSON, Portland, Or.
 LOWREY C. HOLLOWAY, San Francisco, Cal.
 GEO. F. GUERRAZ, Seattle, Wash.
 G. MUELLER, Los Angeles, Cal.
 E. C. FOTHERINGHAM, Butte, Mont.

Pacific Surety Company

C. H. CRAWFORD,
 PRESIDENT
 Established - 1885

**BONDS
 ACCIDENT
 PLATE GLASS
 Employers Liability
 INSURANCE**

Home Office
 FIRST NATIONAL BANK BUILDING
 San Francisco

The London Assurance Corporation

OF LONDON

Cash Assets. \$23,044,775.00

The London Underwriters

SPECIAL AGENTS—C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
 T. S. HEATH, Denver; J. E. JOHNSEN, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco.

A. W. THORNTON, Manager

J. M. MENDELL, Assistant Manager

G. E. GOGGIN, *City Manager*

WM. HACKETT, Supt. of Agents

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

It is the crooked advertiser against whom the buyer must guard,—and a little reasoning about the advertisements will show him up, for a crooked advertiser is a crooked thinker and his selling arguments won't be straight.

It is easier to pass ads by than to read them, but when we pass up a good ad, we pass up a good chance to increase our bank account.—Cottrell's. Prussian suicides are over 20 per 100,000 population. Murders are 2.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agen

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	- - -	\$ 250,000 00
Cash Assets (Gold)	- - -	2,096,766 26
Net Surplus over Capital (Gold)		1,357,229 46
On deposit in the United States, (registered U. S. bonds)	-	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents

Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco

[Babcock Building]

PHOENIX

Assurance Company. Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building

(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employees. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.

Royal Insurance Building

The Teutonia had heavy fire losses this year.

The Germania Fire will soon enter the Board.

Secretary Weinmann will soon visit Europe and will be absent from God's country four months.

General Agent W. Irving of the Phoenix Assurance and the Union Marine sails for London this month. He goes via the Pacific Northwest.

The Springfield will soon increase its capital to \$2,500,000.

The Royal Insurance building in San Francisco is now full of tenants. Only one office is for rent.

Assistant General Agent Gallegos of the Phoenix Assurance has the heartfelt pleasure of informing inquiring friends that Mrs. Gallegos, who recently underwent a capital operation, is now entirely beyond danger.

Manager Geo. O. Hoadley recently made a successful business trip through southern California. Both the American and the Rochester German Underwriters are firmly established in the agencies there as elsewhere.

The State of Penn. continued operations in Missouri but has already had enough and has stopped writing. There were no rates to shave.

Frank E. Stone, assistant general agent of the Wayman & Henry general agency, is recovering from a severe attack of pleuropneumonia.

President D. W. C. Skilton of the Phoenix of Hartford has resigned and is succeeded by the vice president, Edward Milligan. Mr. Skilton has been in poor health for some time.

J. H. Ankele is ill at a San Francisco hospital.

A policy for \$1,797,000 has been written for the Orient Railroad, by the American Central, which distributes risks among six railroad insurance associations.

Manager Niebling visited his office today. He is much improved in health and will go away on a pleasure trip for a rest.

San Francisco maps for sale, via the Coast Review. Vols. 1, 2, 3, 4, 5 and 6.

General Agent Whitney Palache has suffered the loss by death of his wife, Mrs. Belle Palache, who passed away last week, after an illness lasting two years. Mr. Palache is a member of the general agency firm of Palache & Whitney of the Hartford Fire Ins. Co.

President Bush of the Dixie Fire is on his way to San Francisco.

The Occidental Fire has not yet been burnt. Therefore it enters Missouri, where the companies have been losing money for years, and where all the decent non-resident companies have just retired.

The Insurance Institute of America (with offices of the secretary in Philadelphia) has notified Commissioner Hathaway of the appointment of Herbert Folger as a member of the National Council of the World's Insurance Congress, representing the institute.

The Citizens of West Virginia is entering California, with Macdonald & Miles as general agents.

Harry Gordon, of Curtiss & Gordon, recently lost his wife by death.

All the trouble in Missouri appears to have originally grown out of the fact that the companies for years wrote business at inadequate rates in small towns. The state rating board raised those rates to that of the general average. The legislator from one village then tacked on the insurance clause to the Orr anti-trust bill and abolished the state rate bureau and made it a crime to make any rate by consultation or comparison. If the companies themselves had years ago made all small towns pay adequate rates this town constituency would not have persuaded him to put the fire companies out of business.

Marine.—One by one, etc. The London Provincial & Marine control has passed to the Yorkshire.

Fire.—Acme Lumber Co., Ballard, Seattle, burned May 30. Loss \$8,000. Not in operation some time.

C. A. Henry is preparing to go East.

In the Pacific West, Washington counties, etc. These debts amount to leads in gross debts of state, cities, \$28 per capita.

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY-THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

Alaska Commercial Building - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by the State of Massachusetts
Incorporated 1849

Total Assets	\$ 10,407,847 65
Total Liabilities	7,537,140 04
Net Surplus	2,870,707 61

SURPLUS TO POLICYHOLDERS, \$ 4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by the State of New Jersey
Incorporated 1811

Total Assets	\$ 1,870,656 00
Total Liabilities	1,010,774 70
Net Surplus	859,881 30

SURPLUS TO POLICYHOLDERS, \$ 1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

ANNUAL STATEMENT, DECEMBER 31, 1912

Assets	\$11,148,389 89
Capital and Surplus	3,281,284 04
Losses Paid to Dec. 31, 1912	40,596,818 01

This company issues contracts as follows :

Fidelity Bonds; Surety Bonds; Burglary, Larceny, and Theft; Plate Glass; Steam - Boiler; Fly - Wheel; Employers', Public, Teams, Automobile, Physicians', Druggists', Elevator, and General Liability; Accident; Health; Disability; Workmen's Collective; Workmen's Compensation

Pacific Coast Department: { California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange
 San Francisco. Washington and Oregon—SELFLEY & CO., 111 S. 10th
 St., Tacoma; Coleman Bldg. Seattle; Board of Trade Bldg. Portland.



\$2,211,183,691

Life Insurance in Force January 1, 1913, shows the commanding position in the Life Insurance affairs of this nation held by

THE PRUDENTIAL

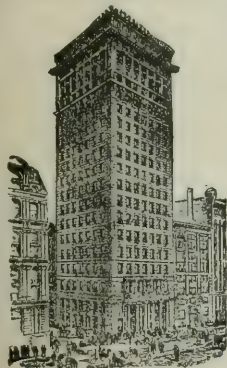
Write us about an Agency

THE PRUDENTIAL INSURANCE CO. OF AMERICA

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



Prevent Losses through dishonesty. Our special short form Insurance

Bond guarantees absolute protection.

American Surety Company

OF NEW YORK

The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.

JAMES K. LYNCH, RESIDENT VICE-PRES.

CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

Brewster Cameron, Jr., Acting Mgr. for Northern California and Nevada
 Merchants National Bank Bldg. San Francisco. Telephone Kearney 1099

The Press

How comes it that the insurance journal with the largest circulation—since it says so—is the least interesting? Is it a give-away?

Louis Henry Martin of Rough Notes vanished into The Night last month, and the places that gratefully knew him before will know him no more.

COAST REVIEW'S PACIFIC FIRE CHART

This Chart contains a number of things not appearing in other charts. The resources of all the principal companies in this country are given. If any company's figures do not appear herein the property owner and agent and broker should be on their guard, lest it be a wildcat or weakling unable to comply with laws governing admission to the state. Some of the companies in this Chart are losing money and will retire or fail within the next ten months.

PACIFIC WESTERN STATE INSURANCE OFFICIALS

Alaska—Wm. L. Distin, Sec. of Territory, Juneau.
Arizona—Arizona Corporation Commission, Phoenix.
 — **California**—E. C. Cooper, Ins. Commissioner, San Francisco. — **Colorado**—Saul Epstein, Ins. Commissioner, Denver. — **Hawaii**—D. L. Conkling, Ins. Commissioner, Honolulu. — **Idaho**—E. F. Van Valkenburg, Ins. Commissioner, Boise City. — **Montana**—Wm. Keating, Ins. Commissioner, Helena. — **Nevada**—Jacob Eggers, State Controller, Carson City. — **New Mexico**—Jacob Chavez, Ins. Superintendent, Santa Fe.
Oregon—J. W. Ferguson, Ins. Commissioner, Salem. — **Utah**—Willard Done, Ins. Commissioner, Salt Lake City.
Washington—H. O. Fishback, Ins. Commissioner, Olympia. — **Wyoming**—Robt. B. Forsyth, State Auditor, Cheyenne.

COMPANIES RETIRED IN 1912

Acme, Cedar Rapids, Ia. Capital & Merchants & Bankers, Des Moines, Ia.; reinsured in Fireman's Fund. Consolidated, Minneapolis. Delaware, Philadelphia, Pa. Dutchess, Poughkeepsie, N. Y. Empire City, N. Y. German, Indianapolis, Ind.; reinsured in National. Ins. Co. State of Illinois, Rockford. Jefferson Fire, Philadelphia; reinsured in Fireman's Fund. Louisville Fire, Ky. Mercantile F. & M., Boston; reinsured in American Central. Milwaukee German, Wis. Oklahoma Fire, Okla. Scranton Fire, Pa. Seaboard, Norfolk, Va., reinsured in German-American. Sun, New Orleans; reinsured in Royal. Western Empire, Spokane, Wash.; reinsured in Los Angeles Fire. Western Reserve, Cleveland, O. Woodmen, Lincoln, Neb. Total 19.

Companies Retired in 1913

American Union, Philadelphia; failed. Sioux Fire, Ia.; reinsured in Hartford Fire. North Coast Fire, Seattle, Wash. Teutonia, New Orleans, reinsured in Hartford and New York Underwriters.

ARE YOU interested in the Pacific Department Business of Companies? You will find it in the Coast Review's

PACIFIC FIRE CHART 1913

for five years past

This is a sample page.

Price 25 cents

Address

Coast Review
Merchants
Exchange
San Francisco

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

- The first office to commence paying losses after the conflagration.
- The first office to commence paying in full the face of the policies, without discount, for cash or exchange.
- The only general agency that remained in San Francisco where its patrons suffered.
- The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.
- The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

**Get the Best Insurance While You Are About It
It Costs No More**

January 1, 1913

OLD AND
TRIED

GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,312,945 00
UNDIVIDED PROFITS	2,486,705 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,848,154 00
UNDIVIDED PROFITS	896,217 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,492,354 00
UNDIVIDED PROFITS	439,752 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal

Fire Automobile Marine

COMMERCIAL UNION

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$ 14,750,000
Paid-Up Capital	1,475,000
Total Cash Assets, Gold	56,579,048
Total Liabilities, including re-insurance reserve	46,019,127
Cash Surplus to Policyholders	10,559,921
Total Amount of Claims Paid	175,573,348

Assets in United States Held by Trustees, \$7,643,751

ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE

Security Building, 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

FIRE INSURANCE

The Commercial Fire and First National Fire of Washington, D. C., will issue an underwriters policy under the title of National Commercial Underwriters' Agency.

An agency qualification bill has been introduced in the Illinois legislature, which requires that no commission shall be paid by any company to any person except those devoting their entire time to the business.

The loss on the sprinklered risk at Piqua, O., written in the Western Factory Association, has been settled for \$171,000. The sprinklers were out of operation at the time of the fire on account of damage by the floods. The original claim according to the inventory was \$275,000.

U. S. Manager Richards of the North British is vice-president. The Northwestern National, the Russia and the Frankona have joined this board.

W. N. Kremer, president of the German American, is now president of the National Board of Fire Underwriters.

The Missouri Barker, the attorney-general, has tumbled from his haughty high horse and in writing agreed that he will not consider the mere fact of the use of the same rate sheet by any two or more companies as a violation of the new anti-trust law. Any proceedings to the contrary by prosecutors will be dismissed. The Missouri Actuarial Bureau's books may be used by agents provided they do not agree to charge the rates therein. This is a complete back down by the state authorities who forced the withdrawal of the solvent non-resident companies.

Colon, Panama, had a narrow escape from destruction by fire on June 3. The canal zone fire brigade did good work, and a heavy rain helped the firemen. The blaze threatened the business section.

Rossland, B. C. — War Eagle mine shaft, etc., destroyed by fire.

STABILITY AND STRENGTH

RESOURCES OVER \$52,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

PACIFIC DEPARTMENT

WILLARD O. WAYMAN---CARL A. HENRY

JOINT GENERAL AGENTS

FRANK E. STONE

MAXWELL H. THOMSON

ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets

San Francisco, Calif.

Branch Offices: Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00

Assets, \$9,268,924.08

WILLIAM J. DUTTON

PRESIDENT

BERNARD FAYMONVILLE

VICE-PRESIDENT

LOUIS WEINMANN

SECRETARY

A. W. FOLLANSBEE, Jr.

MARINE SECRETARY

J. B. LEVISON

SECOND VICE-PRESIDENT

H. P. BLANCHARD

ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

T. M. GARDINER

TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building

Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 85
NO. 1

JULY

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast **INSURANCE** Review

PROTECTION

An Insurance Journal and Directory

IN ITS FORTY-SECOND YEAR

San Francisco: Merchants Exchange Building

The Only *INSURANCE* Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

1913 Life Insurance Totals

"Liability Commissions Must Be Reduced"

Looking Backward Notes

Washington and California Supreme Court Decisions

Motor-Car Insurance Development

Mention of Fire Companies That Are Losing Money

Percentages of Dividends Paid Stockholders

San Francisco City Half-Year Premiums

Revised Field Men's Directory

Chicago Adjusters Found Guilty of Arson

Metropolitan Life Will Enlarge Its San Francisco Head Office
Building

Board and Non-Board Fire Business on the Coast

Spokane and Seattle Meetings

Fierce Forest Fire Near San Francisco

More Consolidations and Mergers Are Predicted

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets

\$58,371,415.00

Assets in U

\$13,739,218.

LIVERPOOL & LONDON & GLOBE
INSURANCE CO., LTD.

NEW YORK OFFICE, 80 WILLIAM STREET.
 H. W. EATON, Manager
 G. W. HOYT, Deputy Manager
 J. B. KREMER, Ass't Deputy Manager
 T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

NEW ORLEANS OFFICE, COR. CARondelet & COMMON STS.
 CLARENCE F. LOW, Manager
 J. G. PEPPER, Ass't. Mgr
 THOS. H. ANDERSON, Deputy Ass't. Mgr

LOUISIANA, MISSISSIPPI, ALABAMA, OKLAHOMA, FLORIDA, ARKANSAS, TEXAS, GEORGIA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
 JOHN W. GUNN, Manager
 R. P. FABJ, Ass't Manager

CALIFORNIA, NEVADA, ALASKA, OREGON, WASHINGTON, ARIZONA, IDAHO.

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO.

CHICAGO OFFICE, INSURANCE EXCHANGE.
 W. S. WARREN, Manager.
 GEO. H. MOORE, Assistant Manager
 HUGH R. LOUDON, Deputy Ass't. Mgr

Established 1836

Entered U. S.

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05

Surplus \$ 4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
 And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,140

LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852

Temporarily at

514 California St., San Francisco

Special Agents:

JOHN W. GUNN, Manager

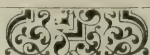
R. P. FABJ, Assistant Manager

R. G. BRUSH
 W. H. RAYMOND

R. H. ROUNTREE
 CHESTER S. MYRICK

HARRISON HOUSEWORTH
 F. E. ATKINS

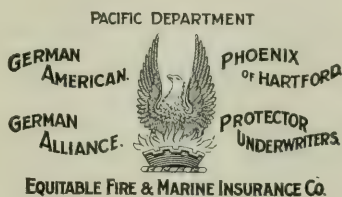
D. B. EDWARDS
 GEO. J.



Conflagration-Proof Insurance



Losses paid to date, - - over \$164,000,000

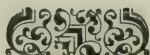


GEQ. H. TYSON GENERAL AGENT.
HERBERT FOLGER, ASST. GENL. AGENT
SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



SOLICITING INSURANCE FOR
THE MUTUAL LIFE INSURANCE CO. OF NEW YORK
 IS ONE OF THE MOST LUCRATIVE OF CALLINGS

Are you in the business to stay? Choose a Company good enough for you to stay WITH, and strong enough to stay with YOU, during your whole career;

The oldest Company in America, which began business seventy years ago, is bigger, better and stronger now than ever before, and will be still bigger, better and stronger seventy years hence;

Not the company which YOU must introduce, but the Company which introduces YOU wherever you go;

The Company whose better selling qualities earn most for you in the way of commissions;

The company which furnishes the insured the largest protection for his money.

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street, - - - - - New York, N. Y.

Metropolitan Life's Pacific Coast Head Office Building in San Francisco is to Be Enlarged

The beautiful, classical structure at Pine and Stockton streets, overlooking the bay of San Francisco and much of the city, where is housed the Pacific Coast head office of the Metropolitan Life Insurance Company, is to be enlarged by the addition of a wing on the south side and another on the north side. The extensions will be steel and concrete, with glazed terra cotta and window frames of bronze, matching the present quickly outgrown building.

The wings will be about 23 by 94 feet, and like the main building will be of Class A type. The roof will be a long promenade. The "basement" on the hillside contains a kitchen and dining rooms for the officers and employees.

All the interior portions are of marble and bronze and glass. There is

no wood. The lofty ceiling is decorated on gold superficies.

Adjuster for Assured Found Guilty of Arson

Joseph Clarke of Chicago, a public adjuster, has been found guilty of arson. The incendiary testified that Clarke had him come from New York to do the job and paid him \$700 for setting fire to the Covitz store. There are 46 members of the arson trust. Their attorney is the same man who defended the Los Angeles dynamiters and is himself charged with jury bribing.

Nebraska's banking department has notified the building associations of the state that they must require tornado as well as fire insurance protection on all loans made by them. This is the result of the recent Omaha tornado, where the need was clearly demonstrated.

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00

Net Surplus, 295,338 00

Total Assets, 1,278,845 00

OFFICERS

W. E. DEAN, President
GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
GEO. L. PAYNE, Treasurer

**HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.**

Special Agents and Adjusters

J. W. WARNER, San Francisco

A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

**Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
and at the rate of "Dollar for Dollar."**

Western Department, Chicago, HENRY J. WOESSNER, Gen'l Agt.

Eastern Department, Philadelphia, FRANK C. STURTEVANT, Manager.

Middle East Department, Pittsburg, LOGUE BROS. & CO., Gen'l Agts.



LTD.

OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

**PACIFIC DEPARTMENT - - - 332 PINE ST.
SAN FRANCISCO, CAL.**

JAMES WYPER, - - - Manager

**THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM
AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES**

Pacific Coast Casualty Co.

Of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00

Assets, : ; 1,231,513 10

..... President
 CARL G. BROWN Vice-President
 H. A. BAUER Secretary

DIRECTORS.

Henry E. Bothin	E. F. Green
Edward L. Brayton	Carl G. Brown
Marshal A. Frank	J. H. Bennett
Allen I. Kittle	Geor. W. Turner
F. P. Deering	H. W. Goodall
W. P. Johnson	

**Head Office: Merchants Exchange Bldg.
 San Francisco**

GENERAL

Work will soon begin on a convention hall in San Francisco for the National Insurance Congress of 1915.

Fifteen staples show large gains in present prices over those of 1890-99. These gains range from 40 percent for fresh milk to 89 for pork chops. Wheat flour is only 27 percent higher. Steaks are about 70 percent higher. San Francisco reports the highest increase in prices for hams and sirloin and round steaks. Seattle reports the highest price for rib roast. Seattle leads in potato price gains.

Hawaii.—Government figures indicate that 55 percent of the Islands 191,-209 population is Japanese, Korean and Chinese. But there will be no war; and the price of white sugar may reduce the brown population.

Golf club houses are burning just as if the times were hard.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-three Years for

Low Rate of Mortality

Economy of Management

Prompt Payment of Claims

GROSS ASSETS, OVER - - - \$19,500,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W Hellman Building) LOS ANGELES, Cal.



The Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop

Hot-Bed Glass Causes "Incendiary" Fires

Rural Pennsylvania has had a series of mysterious fires which have caused alarm in the town and country. Singularly, these blazes about noon or near thereafter. This looked like a personal cause rather than an accidental one. Farmer Jones solved the mystery. Removing a big glass top from a hotbed, he laid it beside a log. On finishing his work he went after the big frame, and noticed smoke coming from beneath the glass. Investigation disclosed that a small pile of straw and old leaves was ablaze. Upon remembering that all of the recent fires have started where there was a pile of dry hay or leaves, Jones immediately decided that he had solved the mystery.

The heat of the sun had been so intense during the last week in the East

that crops have withered under its glare; and there is no doubt in the minds of people that glass has magnified and concentrated the sun's rays, setting fire to dry brush or rubbish, which ignited the buildings, especially after Jones demonstrated his theory by taking pieces of window glass and laying them in such a position that the sun set fire to a pile of hay, paper and rags.

As a result of the discovery the young boys of the town have organized into companies, under the leadership of a captain, and have started a clean-up campaign on all glass found lying around.

Here indeed is a valuable hint to fire prevention associations. Fires in the hot season are undoubtedly caused by old bottles and broken glass lying on dry, inflammable rubbish.

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company his leader. That company is certain to be the Continental = = = = =

HENRY EVANS, President

Pacific Coast Representatives:

A. G. NASON & CO., San Francisco

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W. A. WILLIAMS, Portland

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Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



FOUNDED 1806

Funds Exceed - - - \$ 46,000,000

Annual Income Exceeds 6,500,000

Claims Paid Over - - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON—Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BRODENSTEIN—California, Nevada, Colorado and Utah.

APPLICATIONS FOR AGENCIES INVITED

70 Feet High Wooden Buildings in San Francisco

An amendment to the San Francisco building ordinance provides that wooden buildings on sloping ground, limited to 40 feet from curb in front, may be 70 feet high at the rear. This amendment has been passed to print. Somebody wants to build a big apartment house on a hillside.

National Grange Favors Physical Valuation of Railroads

At a session of the National Grange it was resolved by a unanimous vote that the railroads of the country should receive a "physical" valuation and that passenger and freight rates should be based on such ascertained value. It is asserted that traffic rates should not be based on watered stocks, on crooked rail lines, on bonds for work never done, nor on bonds issued to pay stock dividends never earned.

This is the drift of public sentiment,

indicated by leaders of thought. Some day it will be finally expressed in legislation, federal and state.

As before, we invite life insurance investors and directors to make a note of it. For such legislation may reduce the value of many railroad bonds.

Minta I. Jordan, Los Angeles, collected \$5,000 insurance on the life of her husband a year ago. Now she is suing him for divorce. Criminal action against the woman was dropped for lack of evidence of fraud.

It is just 100 years since the first railway locomotive was perfected and actually ran—and changed all the world.

Young doctors no longer wear whiskers,—they spray their clothes with disinfectant so they will smell busy.—Cottrell's.

Have you ever noticed that new shoes don't squeak any more?

ESTABLISHED IN 1845

Prussian National

Insurance Company

(OF GERMANY)

CAPITAL, . . . \$2,250,000.00

ASSETS, . . . 5,130,876.07

United States Branch

171 LaSalle Street, Chicago

HAROLD W. LETTON,

General Manager

JOHN A. PRINSEN, General Agent

315 South Broadway

LOS ANGELES, CAL.

The
Metropolitan
Life
Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

SAN FRANCISCO

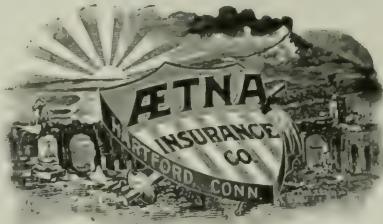
"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Net Surplus
\$8,238,392.50

Surplus as to
Policyholders
\$13,238,392.50



Cash Assets Now
\$23,051,531.36

Losses Paid
in

94 Years

\$132,981,553.48

All Losses Paid in Cash Without Discount Immediately Upon Adjustment

W. H. BREEDING, General Agent

E. S. LIVINGSTON, Asst. General Agent

**Main Office, 301 California Street
SAN FRANCISCO**

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, General Adjuster

G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR, FRED H. ROADS

This Company has absolutely no connection with any other corporation bearing the name of AETNA.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21

Surplus to Policyholders 10,513,692 22

Losses Paid, Over . . 158,607,806 00

PALACHE & HEWITT, General Agents

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

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P. H. GRIFFITH

WILLIAM S. DENNIS

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July, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 42d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 85

San Francisco, California, U. S. A.

Number One

Entered at San Francisco Postoffice as second-class mail matter

Life companies in this country lost \$6,000,000 from investments last year against \$1,000,000 (about) in the previous year.

‡‡

The fire insurance men were given to understand that the recent adverse Missouri legislation could be prevented for \$13,500. Years ago in California a legislator introduced a cinch bill and then coolly told the proprietor of this journal that he would withdraw the bill for \$10,000. This legislator was afterward sent to the congress at Washington.

‡‡

Pacific Coast talent is appreciated. We have good material for presidents, two.

‡‡

The editor of a contemporary east of the Mountains visited San Francisco offices and asked for "little contributions to the cause"—but he never knew when to go, said more than one manager.

‡‡

Is it the beginning of significant changes in the nature and practice of state insurance supervision? Liability companies, unable to combine and unite in a reduction of commissions, have been officially notified in New York that they must restrict their commissions to 20 percent and less.

The fire company that has to enter Missouri and write business there now is already in difficulties.

‡‡

There seems to be somewhere a big gold storage company.

‡‡

Burned-out burghers in Missouri are unable to rebuild because the mean money-lenders refused to lend without insurance protection.

‡‡

Jos. Jordan Devney is organizing a society for the limitation of individual fortunes to \$100,000. We should worry.

‡‡

Politicians who introduce measures merely to make political capital (votes) are demagogues impure and unsimple.

‡‡

San Francisco premiums are declining but the gross liability is increasing.

‡‡

The Home of New York now has \$6,000,000 paid-up capital. It is the only fire-marine company with as large capital. The North British & Mercantile, which writes life business also, has an equally large capital. Two companies with \$10,000,000 capital will probably be announced soon.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

Fidelity Insurance in Court

Washington—Prosser Power Co. v. United States Fidelity & Guaranty Co. 132 Pac. Rep. 48

Signature of Principal—Waiver

Where a fidelity bond was delivered by a surety company's agent without the signature of the principal, whose fidelity was insured, the requirement that the principal should sign the bond was waived, especially where the latter executed an agreement binding himself to reimburse the surety for any loss that it might sustain under the bond.

Delivery

Where defendant's agent delivered a fidelity bond to an employee whose fidelity was guaranteed, intending thereby to pass the bond into the custody of the insured, there was a sufficient delivery.

Breach of Warranty—Evidence

Evidence of plaintiff's president as to the date of monthly examinations of the accounts of plaintiff's cashier, whose fidelity defendant had guaranteed, that he could not say that the cashier's books were examined on the 1st day of each month, did not show a falsity of statement in the application that the cashier's books had been examined September 1, 1909, prior to the execution of the bond.

Examination of Books

Where bond required a monthly examination of his books and a daily and monthly accounting for funds and securities handled, proof that plaintiff examined the cashier's books once a month and made daily examinations of the receipts, ledger and banking account, and that the cashier was required to submit a complete statement of plaintiff's financial situation once a month, and that no discrepancies were ever found in any of those examinations, showed a sufficient compliance with the requirement.

Liability—Settlement—Defenses

That plaintiff accepted from its cashier a worthless deed, which plaintiff afterwards repudiated, and also a note to secure defalcations of the cashier prior to defendant's execution of a fidelity bond for him did not constitute a violation of a provision of the bond that if the obligee makes any settlement with the principal for any loss thereunder it shall be null and void; nor was it within another provision that if the obligee at any time holds concurrent with the bond any other security the obligee shall be entitled, in the event of loss, to claim thereunder only such proportion of the loss as the amount covered by the bond bears to the full amount of the security carried, whether valid or not.

Employers' Liability Insurance in Court

Washington—Taxicab Motor Co. v. Pacific Coast Casualty Co., 132 Pac. Rep. 393

Nonpayment of Judgment

Where a debtor, liable on a judgment for the death of another, held a policy insuring him against such loss on condition that he pay the judgment within 90 days from the date of entry, and procured a satisfaction of the judgment by delivering to the administrator of the decedent his unsecured promissory note, which was accepted by her with the consent of the probate judge, the giving of the note was a payment of the judgment within the policy, in the absence of direct and cogent proof that it was given in bad faith.

Defenses—Limitation

The fact that the judgment was not paid within 90 days after its entry in the court below does not relieve the company from liability, where it was paid within 90 days after the affirmance of the judgment upon an appeal prosecuted by the insurance company in accordance with the provisions of the policy.

Parol Evidence Adding a Condition

Parol evidence is not admissible to prove that the parties to a casualty insurance policy agreed that the policy should not cover loss or injuries caused by the violation of a city ordinance by the servants of insured, where the written policy is broad enough to cover such a loss.

Illegality of Object

An insurance policy which indemnifies a taxicab company against loss by the violation of a city ordinance by its employees is not void on the ground of public policy.

Estoppel

Where an indemnity insurance company, under the terms of its policy, defended an action against the insured for the death of one negligently killed by the insured's servants, it is estopped to contest an action against it upon the policy on the ground that the death was due to the malpractice of a physician and not to the injuries negligently inflicted.

The insurance company, for answer to the complaint, put in issue certain of its allegations and set up four separate affirmative defenses. In the first it alleged that the note purported to have been given in satisfaction of the judgment was not given in good faith, but on the faith and understanding that the same should not be a liability against the taxicab company, except in the event that the insurance company paid the judgment, and hence no damage or injury had resulted to the taxicab company by the judgment. For a second defense it alleged that the policy was issued and accepted on the express understanding and agreement that in no event should the insurance company be liable thereon if the taxicab company, in operating its automobiles, permitted its employees to run them at a rate of speed exceeding the speed limit prescribed by the ordinances of the city of Spokane, and that the automobile operated by the employee which ran down and killed Burger was at that time being run at a speed exceeding the speed limit provided by such ordinances. For a third defense it alleged that the death of Burger did not result from the injuries

received by being run into by the taxicab company's automobile, but by the negligence and malpractice of the physician called in to attend him for his injuries. For a fourth affirmative defense it alleged that the respondent failed to lend such cooperation and assistance as lay in its power in the defense of the original action.

The judgment stands affirmed.

Accident Insurance in Court

Georgia—*Gaynor v. Travelers' Ins. Co.*, 77 S. E. Rep. 1072

Petition—Copy of Policy

In a suit upon an insurance policy, the petition should contain or have attached thereto a copy of everything appearing "upon the face or in the body of the policy," including all stipulations embraced in that part of the policy which precedes the signatures of the company's officers by whom it was executed.

Denial of Corporate Existence—"Evasive Answer" Admission

An evasive answer consists in refusing either to admit or to deny a matter as to which the defendant is necessarily presumed to have knowledge. Where a defendant is alleged to be a corporation, an answer declining, for want of sufficient information, either to admit or to deny such an averment would be evasive and should be treated as an admission of the averment. But an answer distinctly denying an allegation that the defendant is a corporation, although it may be false, is not evasive.

Accident

Where one person injures another and the injury is not the result of misconduct or participation of the injured party, but is unforseen by him, it is as to him, accidental, although it may be intentionally inflicted by the other party.

Burden of Proof

Where, in a policy, it is stipulated that no recovery shall be had for an injury intentionally inflicted upon the insured by any other person, the burden is upon the insurer to show that the injury came within this exception.

Presumption

Where a person receives an injury, the presumption is that it was accidental rather than the result of design.

Injury by Intoxicated Person — "Sane or Insane"

An injury intentionally inflicted upon another by a person intoxicated at the time is within an exception in a policy of accident insurance which provides that no recovery shall be had for an injury "intentionally inflicted upon the insured by any other person, sane or insane."

Presumption — Intention

The inference that one intends the natural consequence of his act is a rule of circumstantial evidence applicable to all human transactions, and it is to be applied in criminal as well as in civil cases in passing upon the sufficiency and weight of the evidence.

Where one approaches another from the rear and, at a distance of eight or ten feet, deliberately aims and fires a deadly weapon at the person thus approached, and the latter dies from the wound thus inflicted, and nothing more appears, there is a conclusive inference that the person shooting intended to take the life of the person at whom he shot!

The mere fact that at the time the homicide took place, other persons were in close proximity to the person killed and might have been injured by the shot was not sufficient to rebut the inference that the slayer intended to kill the person shot.

Drunkenness

In our opinion the words "sane or insane" cover the whole field of mental condition and include that state of mind in which the will and reason has been temporarily dethroned by intoxication resulting from the use of alcohol or any other substance which produces intoxication. In criminal law, insanity is a complete defense, because an insane man cannot commit a crime. Drunkenness is no excuse for crime, if the man be sane. A man so drunk as to lack the quantum of mind necessary to form the intent to kill is, according to the Jones Case, 29 Ga. 594, too drunk to

commit murder; but, "to be too drunk to form the intent to kill, he must be too drunk to form the intent to shoot."

Marine Insurance in Court

Texas—Mannheim Ins. Co. v. Charles Clarke & Co., 157 S. W. 291

Place of Loss — Questions of Law

In an action on a policy of marine insurance, where the undisputed evidence showed that the vessel was lost in a river in which the tide from the Mexican Gulf ebbed and flowed, the question whether the vessel was in gulf waters was one of law for the court.

Construction of Policy — "Gulf Waters" — "Sea"

A policy of marine insurance provided, in a typewritten clause, that it should be in force only while the vessel was used in the gulf waters of the United States between Key West and the mouth of the Rio Grande River. Another clause of the policy, which was part of the printed form, declared that it was the intention of the insurer to indemnify the insured for loss or hurt to the vessel for which it might be liable against the adventures and perils of the harbors, bays, sounds, seas, rivers, and other waters as above named. The vessel was lost in a river in which the gulf tide ebbed and flowed. Held, that it was lost in gulf waters within the purview of the policy; the expression "gulf waters," like the word "sea," including not only the high seas, but the bays, inlets, and rivers as high up as the tide ebbs and flows.

Conditions — Watchman

A warranty that a competent watchman should always be on board was sufficiently complied with where a competent member of the crew was always detailed as a watchman; the fact that different members of the crew were required to stand different watches, and that they also performed other duties, not being in violation of the warranty.

A policy providing that the vessel should always have a competent watchman on board is not avoided by proof that, on the occasion of the accident, the watchman went to sleep, and through his negligence the

vessel was lost; the owner complying with the warranty by providing a watchman who was competent.

"Perils of the Sea"

Where a vessel is insured against the adventures and perils of the harbors, bays, sounds, seas, rivers, and Mexican gulf waters, those perils include only the natural accidents peculiar to the elements, and not those which happen only by the intervention of man and may be prevented by human prudence; consequently such a policy will not support recovery where the vessel was lost through the failure of the watchman to close the sea valve, through which water was being taken for the boiler, so that the weight of water either tipped the vessel over, or caused it to tip so far that water ran in over its freeboard and sunk it.

Recovery of Expenditures by Insurer

Where a marine insurer, under an agreement that a tug should be raised for the benefit of all concerned, but that any action taken to save the tug would not affect the terms of the policy, but would merely be considered as done for the benefit of all concerned, expended money in raising the sunken vessel, it is entitled to recover back such expenditures; it appearing that it was not liable under the policy.

Assignments of Error—Sufficiency

In an action against a marine insurer which, with plaintiff, had expended money in salving a sunken vessel, an assignment of error, complaining of the court's refusal to charge that at the time of the sinking of the tug there was no contract in force between the insurer and plaintiff that covered the raising of the tug, and that verdict should be rendered against plaintiff in favor of defendant for any sum paid in raising the tug, submitted in the brief with the first assignment of error, complaining of the refusal of the court to charge that, as the vessel sank in a river, she was not within the waters to the use of which she was limited by the policy of insurance, the sole proposition being that the insurer was not liable because the tug sank in waters not covered by the policy, coupled with another assignment complaining of the court's re-

fusal to charge that the sinking of the tug was not caused by any of the perils against which she was insured, the proposition under which was that the accident was not caused by the perils of the sea, was not sufficient to present on appeal the question whether the insurer was improperly denied compensation for money expended in salvage.

Assignments of Error—Necessity

In an action where the insurer desires to complain of the judgment which denied it relief on its cross-action, by which it claimed compensation for money expended in salvage, it must raise the point either by an assignment of error, or by a proposition under an assignment in which the point is sufficiently made.

Chief Justice Pleasants dissented as follows:

I cannot agree with my Associates in the conclusion that the loss sustained by the appellee, for recovery of which this suit was brought, was not covered by the insurance policy sued on and therefore appellee is not entitled to recover such loss.

The question is whether the sinking of appellee's boat in the circumstances alleged in the petition and shown by the evidence was a "peril of the sea," as that term was used and understood by the parties in the policy of insurance.

The opinion of the majority quotes a number of definitions of the term "perils of the sea," and assuming that these definitions are full, accurate, and exclusive, holds that the sinking of the appellee's boat was not due to a peril of the sea because it was proximately caused by the negligence of the watchman in leaving its sea valve open.

The evidence is sufficient to sustain the finding of the jury that the sudden lurching of the boat, by which the water was caused to rush over its side and into the engine and firerooms in such quantities as to cause it to sink, was due to its sudden slipping from its contact with the Alarm, the boat by which it was moored, as alleged in the petition. The opinion of the majority does not question the sufficiency of the evidence to sustain this finding further than is in-

volved in the holding that the negligence of the watchman in leaving open the sea valve was the proximate cause of the accident. I do not think the question of whether the negligence of the watchman was a proximate cause or the proximate cause of the sinking of the boat is material in determining whether or not such sinking was a peril of the sea. No rule is better settled by the decisions of the highest courts of England and America than that the insurer is not released from liability for loss due to a peril of the sea by reason of the fact that such peril was occasioned or proximately caused by the negligence of the master or crew unless the policy of insurance expressly excepts a loss so caused.

The entrance of sea water into water-tight compartments through an open deadlight, or through leaks caused by rats, has been held to be perils of the sea. 26 Cyc. 1024; *Starbuck v. Phoenix Ins. Co.*, 19 App. Div. 439, 45 N. Y. Supp. 995.

Seaman v. Ins. Co. (C. C.) 21 Fed. 778, was a case in which the insured vessel, while making the trip specified in the policy, accidentally struck the river bank in attempting to make a landing, and was so injured that she sank and became a total loss. Mr. Justice Brewer held that the injury "must be one of the perils of navigation."

In 3 *Cooley's Ins.* 2883, are cited many cases where a grounding of a vessel in a harbor was deemed a peril of the sea, also injury occasioned by a leakage, the leak being caused by rats.

In *Hutchins v. Ford*, 82 Me. 370, 19 Atl. 834, it is said: "The law is now well settled that disaster, caused by a peril insured against, as stranding or collision, resulting from negligence of the master or mariners, is covered by a policy of marine insurance." Many cases are there cited.

In *Potter v. Ins. Co.*, 19 Fed. Cas. 1186, 2 Sumn. 197 (No. 11,339) Justice Story held that a ship, which was sound and lying at a wharf, grounded and began to leak, as the surveyors reported, by lying badly on the ground. This was held within the perils of the sea, for which the underwriters were liable.—19 A. & Eng. 1937, 1939.

Fire Insurance in Court

California—*Law et al. v. Northern Assur. Co. of London*, 132 Pac. Rep. 590

Parol Contracts—Evidence

The proof of an oral contract of insurance against loss by fire must be clear and convincing.

Oral Agreements—Actions—Pleadings

An oral agreement forming the basis of insurance against loss by fire must be set forth in the complaint in an action thereon.

A complaint, which alleges that the company insured plaintiff and issued covering notes, and which avers performance of the conditions, covenants, and stipulations of the covering notes, and the general policy of insurance therein referred to, and which states that there was an agreement for the renewal of the covering notes, attempts to state a cause of action on the covering notes, and not on an oral contract of insurance.

Contract for Present Insurance

A covering note for insurance, issued by the Northern Assurance Company of London on the blanks of the National Fire Insurance Company, which cancels the title thereon and inserts the word "Northern," and which provides "covering memo. No. * * * The Northern hereby secures H. and H. E. L. against loss * * * by fire to the extent of * * * \$25,000 on the brick and stone hotel bldg. 'C. O. C.,' Fairmont, San Francisco, * * * subject to all the terms * * * of the company's general policy of insurance * * * insurance hereunder to cease 30 days from" date, or at such prior time as the company's policy may be issued, evidences a contract of present insurance.

Contracts—Ambiguity

The use in a covering note issued by the Northern Assurance Company of London of the abbreviation "Northern," instead of the full name, does not amount to a material ambiguity, where the undisputed evidence showed that the Northern Assurance Company of London was meant.

Contracts—Ambiguities

The provision in a covering note that it is subject to the terms and conditions of the

company's general policy of insurance, which is made a part of the contract and the basis of the agreement, does not create an ambiguity in the contract, but merely makes the general policy a part of the covering note.

The word printed across the face of a covering note, "This covering memo. must be returned with the application," is merely a direction as to what shall be done with the covering note if an application is made for a policy to take its place, and they are not ambiguous and do not convert the note into a mere application for insurance.

Description of Property — Sufficiency

A covering note of fire insurance "on brick and stone hotel bldg. 'C. O. C.,' Fairmont, San Francisco, Cal.," sufficiently describes the property insured.

Technical Terms — Construction

The term "C. O. C.," in a covering note stipulating that the company secures a person named against loss by fire to the extent of a specified sum on a building C. O. C., is a technical term, which under Civ. Code §§ 1644, 1645, may be interpreted by experts, and, when so interpreted, the contract of insurance is not ambiguous.

Term of Insurance

A covering note which provides that the insurance shall cease 30 days from date thereof at noon or at such time prior thereto as the company's policy may be issued, is not ambiguous in the term of insurance, since under Civ. Code, § 10, and Code Civ. Proc. § 12, the term of insurance will be fixed by excluding the first day and including the last.

Contracts — Premiums

Where the undisputed testimony showed that there was an implied agreement to pay the rate fixed by the board of underwriters for a temporary contract of insurance in case a final policy was not issued, the failure of the temporary contract to specify the premium was immaterial.

Construction — Question for Jury

Where the construction of a technical

term in a contract is the subject of conflicting testimony of experts, the question of a proper construction is for the jury.

Harmless Error — Submission of Special Issues

Where the jury rendered a general verdict, the error of the court in reversing the requirements of Code Civ. Proc. § 625, by requiring answers to the special issues whether a general verdict was found or not, was harmless.

Special Verdicts — Limitation of Negative or Affirmative Answer — Power of Court

The court submitting special interrogatories may propound questions which may be best answered by "yes" or "no," provided the requirement to so answer does not prevent the jury from giving full expression to the opinion of its members.

Question for Court

The court, in determining whether the answer to a special interrogatory is conflicting with the general verdict, may consider the special finding alone and not the evidence or the theories of the parties.

General and Special Verdicts — Conflicts

The general verdict will stand unless the special findings are so clearly antagonistic to it as to be absolutely irreconcilable and a special finding is inconsistent with the general verdict only when as a matter of law the special finding when taken by itself will authorize a judgment different from that which the general verdict will permit.

Where, in an action on a covering note of fire insurance, the issue was whether the note extended the insurance to noon on April 19th, as claimed by insured, or whether the insurance terminated 24 hours earlier, as insisted by insurer, a negative answer to the question, "Is the intention of the parties * * * that the defendant insures plaintiffs * * * against loss, * * * such insurance to cease on the 18th day of April, 1906, at noon," was not necessarily in conflict with a general verdict for insurer, and a special finding that the insurance was not in force at the time of the loss on April 19th, and a judgment for insurer was proper.

Washington—Gaskill v. Northern Assur. Co.,
132 Pac. Rep. 643

Knowledge of Agent—Knowledge of Insurer

The actual knowledge of a local insurance agent issuing a fire policy on the separate property of a wife in the name of her husband that the property belongs to the wife is the knowledge of insurer, so as to make the agent's mistake the mistake of insurer, of which it cannot take advantage; the agent admitting that he unthinkingly issued the policy in the name of the husband.

Mistake—Reformation

Where a local insurance agent issuing a fire policy on the separate property of a wife in the name of her husband knew that the property belonged to the wife and unthinkingly inserted in the policy the name of the husband and there was no fraud or misrepresentation on the part of the husband and wife and it was the intention of the parties to insure the property by a binding contract, the policy could be reformed on the ground of mistake so as to make the insurer liable.

Issue—Reformation of Policy

Where the complaint in an action on a fire policy did not ask for reformation, but alleged that insurer had notice of the mistake in issuing the policy in the name of a husband instead of the wife owning the property, and the evidence received without objection was sufficient to warrant reformation on the ground of mistake, and insurer did not claim surprise nor object on the ground that the right of reformation was not within the issues, it could not complain of the action of the court treating the policy as reformed without entering a formal decree and entering judgment accordingly.

Reformation of Contracts—Public Policy

Where by mistake a fire insurance policy on the separate property of a wife is issued in the name of the husband, public policy does not prevent the reformation of the policy and its enforcement as reformed.

Oregon—Finlon v. National Union Fire Ins. Co., 132 Pacific Rep. 712

Ownership in Fee Simple

A lessee with option to purchase has not a fee-simple title, within L. O. L. § 4666,

providing that fire policies, unless otherwise provided, shall be void if the interests of insured be other than unconditional and sole ownership, or if the subject of insurance be a building on grounds not owned by insured in fee simple, and in the absence of an agreement indorsed on the policy a policy insuring a building owned by him situated on the leased premises is void.

Fire Legal Brevities

The mortgaging of insured personalty is an increase of the risk within a policy clause making the insurance void if the subject of insurance is personalty and becomes incumbered by a chattel mortgage.—*Security Ins. Co. v. Laird*, 62 So. 182.

Where a policy on personal property contained clause against incumbrance, and insured after delivery of policy executed a chattel mortgage on the property without the insurer's consent, he could not recover on the policy unless the insurer with knowledge of the mortgage in some way waived the forfeiture.

Where defendant denied liability on the policy for breach of a condition against insurance at the time of the loss, the contention that it could not retain the unearned premium and at the same time claim a forfeiture of the policy was unsustainable.

Where one specific ground of forfeiture is urged against a policy and payment is denied on that ground alone, all other grounds are waived.—*Id.*

A fire policy, requiring the insured to notify the insurer of any transfer of interest on which the defendant had indorsed its agreement that the property had been sold under contract to a certain named person held not forfeited by a reconveyance of the purchaser's rights after default.—*Follies v. Detroit Fire & Marine Ins. Co.*, 141 N. W. 879.

Where an insurer's objection to proofs of loss were general and not specific, and the insurer furnished further proofs of loss which were received without further objection, the insurer was estopped from claiming that the proofs of loss were defective.—*Id.*

FIRE INSURANCE

Not Writing in Morbid Missouri

Albuquerque, N. M., June 27, 1913.

Editor of the Coast Review,

San Francisco, California.

Dear Sir:—

I note in your paper of June 11th the following item regarding this company:

"The Occidental Fire has not yet been burnt. Therefore it enters Missouri, where the companies have been losing money for years, and where all the decent non-resident companies have just retired."

I think it is due this company that in your next edition you modify the same by stating that although we have been licensed to do business in Missouri we have not transacted any business; nor have we any intention of doing so until such time as the Union and Bureau Companies also commence active business there. At the present time we have not got a policy in force in the state of Missouri, nor have we an agent there.

Yours very truly,

George Roslington, Secretary.

"Right to the Point"

This is the title of a manual for fire insurance agents, by the late Louis H. Martin. It is in catagorical form, 66 pages; in leather 75 cts, in cloth 50 cts. A revision of a former book. Rough Notes Co., Indianapolis, publishers.

Gasoline and Women

The universal use of gasoline by women in cleaning gloves, laces and other finery causes many fires from electric spark generated by the rubbing friction firing the garoline vapor.

To, as far as possible, remedy this bad risk to life and property, all washing in gasoline should be done very early in the morning, before the sun's heat can vaporize the gasoline.—Fireman's Fund Record.

Any company rushing into Missouri now is rushing to destruction. Mark this! Business men and local agents are wisely

refusing to place insurance with companies which are loading up with unprofitable Missouri business at state-made too low rates.

The Only Certain Way to Reduce the Cost of Fire Insurance Is to Reduce the Loss by Fire

Indemnity for loss by fire is the subject of sale and purchase, but its actual cost to the seller is never known until the contract or policy has expired. The cost to the buyer, as fixed by the premium rate, is based on the fire losses of the past and the cost of distributing the same.

Fire insurance of any kind is merely a determination and a distribution of fire losses, according to some classification of risks. The premium, in general, is composed of only two elements, to-wit: the fire cost and the expense cost.

Dividends to stockholders are as a rule paid out of the interest earnings of the invested assets.

Underwriting profit is the difference between the premium income and the combined fire loss payments and expenses. This profit in favorable times is small and is generally added to the surplus funds for the better protection of the insured. In excessive fire loss years, and for periods which include a great conflagration, there is no underwriting profit, and capital and surplus are depleted. Companies retire because of losses or continue in business if the stockholders are willing to pay in new capital.

The expense of doing the business of fire insurance is practically a fixed charge.

The fire loss is not "fixed." It fluctuates but it may be reduced by building regulations, enlarged water supplies and improved fire protection.

Therefore, the only certain way to reduce the cost of fire insurance is to reduce the loss by fire.

Perhaps not all the house fires in Great Britain are caused by suffragettes.

PACIFIC COAST DEPARTMENT FIRE BUSINESS.

By Companies, Agencies and Departments.

(This Compilation is original with the Coast Review.)

WHERE THE COMPANIES WRITE.

The figures in this compilation of Coast business by agencies and departments, written in San Francisco, represent the business of states and territories (as per numbers), as follows:

- | | |
|----------------|-----------------------|
| 1. CALIFORNIA, | 10. COLORADO, |
| 2. OREGON, | 11. NEW MEXICO |
| 3. WASHINGTON, | 12. HAWAII, |
| 4. IDAHO, | 13. ALASKA, |
| 5. MONTANA, | 14. BRITISH COLUMBIA, |
| 6. UTAH, | 15. PHILIPPINES, |
| 7. NEVADA, | 16. MEXICO or TEXAS, |
| 8. ARIZONA, | 17. ALBERTA, |
| 9. WYOMING, | 18. SASKATCHEWAN. |

Companies and Agencies	San Fran. Prem's	—Coast— Prem's Rec'd	Losses Incur'd	Ratio Percent
25 A. C. Olds—Caledonian, Caledonian-American, Aachen & Munich, Scotch Underwriters.				
Total 1912	15,469	323,676	137,046	42.3
25 1911	13,025	331,944	149,716	45.3
26 1910	20,233	323,051	165,778	51.2
25 1909	17,507	326,168	121,466	37.3
24 1908	25,811	327,741	151,631	46.0
Write in 1 to 8 inclusive, 12 and 13.				
26 Russell W. Osborn—Pennsylvania Fire.				
26 1912	23,327	308,380	139,334	45.1
27 1911	25,341	319,250	128,193	40.1
27 1910	26,891	296,948	128,717	43.3
27 1909	23,184	286,649	115,758	40.3
26 1908	11,640	269,035	104,863	38.9
Writes in 1 to 8 inclusive, 13 and 14; 14 reins. only.				
27 Macdonald & Miles—Westchester Fire, Camden Fire				
Total 1912	32,289	276,345	160,208	57.9
24 1911	43,291	353,829	164,404	46.8
24 1910	54,016	369,605	183,838	49.7
25 1909	56,584	348,590	159,447	45.7
25 1908	62,098	318,849	120,435	37.8
Write in 1 to 14, inclusive.				
28 D. W. Clark—Northwestern National.				
28 1912	12,033	273,682	107,332	39.3
29 1911	7,964	274,802	95,830	34.8
30 1910	.	244,072	81,786	33.5
26 1909	.	236,542	83,804	35.4
30 1908	.	221,811	83,564	37.7
Writes in 1, 2, and 3; 1 to 4 inclusive in 1908.				
29 C. H. Ward—Firemen's, N. J., East'n Und. Ag'cy, Ger.-Amer., Pa.				
Total 1912	39,132	256,227	105,207	41.0
33 1911	45,581	222,102	83,663	37.6
36 1910	50,905	215,708	80,060	37.1
33 1909	56,324	202,380	71,579	35.3
35 1908	61,237	158,843	33,864	21.3
Write in 1, 2, 3.				
30 Frank M. Avery—Fire Association, Philadelphia Underwriters.				
Total 1912	58,911	254,448	82,146	32.3
31 1911	66,514	246,878	93,107	37.7
35 1910	55,835	221,186	93,801	42.4
32 1909	54,709	211,532	87,567	41.4
32 1908	57,327	206,261	71,595	34.8
Write in 1, 7, 8 and 12.				
31 Ass. Underw.—N'th River, Nassau & D., New Bruns., Merchants.				
Total 1912	81,645	238,420	79,979	33.6
23 1911	144,247	356,931	52,127	14.6
16 1910	145,796	544,665	187,081	34.3
16 1909	141,281	508,738	111,650	21.9

Companies and Agencies	San Fran Prem's	—Coast— Prem's Rec'd	Losses Incur'd	Ratio Percent
32 Bertheau, Selbach & Bertheau — Hanover, Peoples National, Delaware Underwriters.				
Total 1912	19,156	214,647	110,314	51.4
30 1911	25,585	270,458	98,246	36.3
23 1910	48,023	376,982	163,832	43.5
36 1909	45,050	157,013	51,938	33.0
42 1908	19,057	92,592	22,865	24.7
Write in 1, 4, 11 and 13.				
33 J. L. Fuller — Norwich Union.				
33 1912		210,807	112,203	53.2
32 1911		225,954	125,507	55.5
34 1910		222,193	131,783	59.9
29 1909		229,011	86,878	37.7
37 1908		137,459	80,707	58.8
Writes in 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13.				
34 W. L. W. Miller — British America, Western Assurance.				
Total 1912	12,555	207,285	105,463	50.9
34 1911	43,977	221,759	89,313	40.3
33 1910	57,873	236,056	110,077	46.9
28 1909	72,594	258,074	90,722	35.1
29 1908	72,104	224,505	105,400	46.9
Western writes in 1, 2, 3, 7, 12 and 13; British America in 2, 3, 12 and 13				
35 Cobb-Drennan Co. Inc. — Dixie Fire, Nat'l Ben Franklin, United Firemens, Humboldt.				
Total 1912	76,571	183,046	90,089	49.2
38 1911	50,030	109,084	31,490	29.7
40 1910	35,072	89,265	39,792	44.6
40 1909	45,712	112,386	49,353	43.9
43 1908	38,943	78,542	10,191	13.0
Writes in 1 only.				
36 Henry Homes Smith — Law Union & Rock.				
36 1912	14,271	176,932	81,753	46.2
36 1911	12,656	171,849	65,241	37.9
38 1910	13,546	149,205	66,862	44.6
38 1909	12,516	144,355	60,499	41.9
28 1908	17,577	228,191	51,560	22.8
Writes in 1 to 8 inclusive, and 13				
37 H. W. Fores — Scottish Union & National, State Assurance.				
Total 1912	49,353	176,143	59,795	33.9
35 1911	58,122	185,800	45,170	23.2
37 1910	66,080	187,482	61,931	33.4
35 1909	56,703	161,496	77,675	48.0
† Writes in 1, 7, 8, 12 and 13 only.				
38 C. C. Kinney — Franklin, Reliance, Standard.				
Total 1912	36,226	154,328	83,741	54.2
28 1911	42,238	295,015	128,973	43.8
28 1910	47,094	260,093	100,498	38.6
34 1909	32,299	177,353	61,209	34.5
39 Chapman & Nauman — Jersey Underwriters.				
1912	33,129	150,444	40,753	27.1
1911	17,321	45,635	5,310	11.6
Write in 1 to 8 inclusive and 12, 13 and 14.				
40 Frank W. Dickson — Concordia, German Fire.				
Total 1912	66,641	129,834	54,584	42.0
37 1911	61,516	139,016	43,672	31.4
29 1910	56,778	244,217	76,824	31.4
41 1909	24,606	108,152	34,483	31.8
33 1908	14,244	184,366	74,464	40.4
41 T. J. A. Tiedemann — Franklin.				
41 1912	9,092	111,927	48,377	43.1
41 1911	14,439	116,559	55,630	47.7
39 1910	20,708	129,449	65,549	50.6
39 1909	27,541	125,227	41,730	33.2
39 1908	31,417	113,612	18,391	16.2
Writes in 1, 2, 3, 5, 8, 12, and 14.				
42 J. F. D. Curtis — Providence-Washington.				
42 1912	21,518	109,468	32,636	29.8
39 1911	22,651	103,732	37,250	35.9
31 1910	28,195	240,711	109,638	45.5
30 1909	29,812	219,280	83,724	38.1
34 1908	27,137	175,796	46,918	26.7
Write in 1, 2, 3, 4, 5, 6, 7, 8, 12 and 13; 11 reins. only.				

Companies and Agencies	San		-Coast-	
	Fran. Prem's	Prem's Rec'd	Losses Incur'	Ratio Percent
43 McC. Kelley—Yorkshire.				
1912	12,555	70,468	10,780	15.3
44 Anderson & Edwards—Republic Underwriters.				
1912	24,839	69,211	26,268	37.9
1911	24,264	65,522	24,972	38.2
45 Watson & Taylor—City of New York.				
44 1912	13,798	62,981	21,530	34.0
45 1911	10,755	34,684	1,403	.4
46 Clarence de Veuve—Dubuque F. & M., Merchants.				
Total 1912	29,918	58,300	38,173	65.4
40 1911	39,034	71,540	26,632	37.2
41 1910	41,127	82,907	18,477	22.3
43 1909	26,408	52,314	7,169	13.5
41 1908	54,137	102,697	37,862	36.9
47 David Duncan—German Fire.				
46 1912	1,638	22,207	15,645	70.4
42 1911	10,814	31,244	15,612	49.9
42 1910	14,864	72,387	41,061	56.7
42 1909	19,842	71,749	38,885	54.2
44 1908	26,500	58,430	19,575	33.5

EAST.

Companies and Agencies	San		-Coast-	
	Fran. Prem's	Prem's Rec'd	Losses Incur'd	Ratio Percent
Home, N. Y. — Pacific States Departments.				
1912	273,370	1,526,118	582,877	38.1
1911	329,608	1,582,854	529,540	33.4
1910	396,678	1,693,404	653,015	38.6
1909	408,974	1,686,210	656,642	38.9
1908	398,161	1,618,285	581,281	35.9
Writes in all except 12, 15, 16, 17, 18.				
Geo. E. Kline—Continental Fire.				
1912	78,058	796,851	276,365	32.7
1911	76,730	779,501	252,244	32.3
1910	72,942	715,196	309,337	43.2
1909	64,093	686,343	238,673	34.8
1908	62,592	648,596	261,390	40.3
Writes in 1 to 11 inclusive.				
E. G. Richards — North British & Mercantile.				
1912	100,086	732,384	256,999	35.0
1911	106,600	723,695	201,478	27.8
1910	97,490	665,530	260,194	39.1
1909	108,074	684,117	243,013	35.5
1908	74,925	621,457	220,163	35.4
Writes in 1 to 12 inclusive.				
G. H. Lermitt—Northern Assurance.				
1912	119,322	693,091	298,576	43.0
1911	153,550	731,572	270,542	36.9
1910	171,527	733,724	318,455	43.4
1909	164,393	673,961	243,966	36.1
1908	156,807	652,958	249,634	38.2
Writes in 1 to 11 inclusive.				
Fidelity-Phenix				
1912	42,472	422,161	181,249	42.6
1911	36,758	428,365	179,416	41.8
1910	34,472	451,006	202,217	44.8
1909 . . . . .	. . . . .	336,877	121,054	35.9
1908 . . . . .	. . . . .	327,017	158,874	48.6
Writes in 1 to 11 inclusive, 13 and 14.				
James H. Brewster — Scottish Union & National.				
1912	46,677	413,291	149,045	36.0
1911	55,227	412,765	132,537	32.1
1910	64,256	399,906	157,439	39.3
1909	54,251	355,652	156,121	43.5
1908	33,589	267,225	129,456	48.8
Writes in 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17 and 18.				
Harold W. Letton—Prussian National.				
1912	17,525	295,253	156,810	53.1
1911	23,603	221,377	110,069	49.7
1910	2,620	182,177	61,012	33.5
1909 . . . . .	. . . . .	162,816	70,027	43.0
1908 . . . . .	. . . . .	150,124	73,013	48.7
Writes in 1, 3, 4, 5, 6, 9, 10.				

Companies and Agencies	San	—Coast—		Ratio
	Fran. Prem's	Prem's Rec'd	Losses Incur'd		Percent
R. D. Harvey — Royal Exchange.				
1912		101,399	42,760	42.1
1911		138,797	65,490	47.9
1910		134,899	64,697	47.6
1909		117,646	56,079	47.1
1908		102,149	63,502	62.3
Writes in 2, 3, 4, 5, 6, 9 and 10.				
James H. Brewster — State Assurance.				
1912	2,676	22,220	8,701	39.1
1911	2,895	25,946	8,764	33.7
1910	1,824	25,557	15,943	62.4
1909	2,452	26,090	8,559	32.9
1908	3,999	28,216	12,197	43.2
Writes in 1, 3, 5, 6 and 10.				

Percentage of Dividends Paid in 1912 to Stockholders' Funds

Companies	Average Dividend Rate, 04.2		
	Stockholders' Funds	Dividends	Percent
Aetna	\$16,061,374	\$945,000	05.9
Agricultural	2,591,015	75,000	02.0
Allemania	1,161,289	30,000	02.5
Alliance	1,615,309	60,000	03.7
American, N. J.	5,728,544	240,054	04.1
American Fire, Pa.	439,814		
American Central	3,310,955	240,000	07.2
American Druggists	289,551	18,000	06.2
American Union, Pa.	749,941		
Arizona Fire	337,063		
Austin Fire	433,540	24,151	05.5
Boston	4,753,680	210,000	04.4
Caledonian-American	242,309	8,000	03.3
California	848,123	60,000	07.0
Camden Fire	1,877,024	66,955	03.5
Central National	421,113	18,000	04.2
Citizens	511,823	24,000	04.6
City of New York	994,332	50,000	05.0
Commercial Union, N. Y.	681,074	20,000	02.9
Commonwealth Fire	413,307	25,000	06.0
Concordia Fire	1,467,981	62,894	04.3
Connecticut	4,636,650	160,000	03.4
Continental	19,497,397	1,000,000	05.1
County Fire of Pa.	821,344	32,000	03.8
Detroit F. & M.	1,739,859	60,000	03.4
Dixie Fire	842,984		
Dubuque F. & M.	878,783	40,000	04.5
Eastern Fire	240,852	8,000	03.3
Equitable F. & M.	736,749		
Fidelity-Phenix Fire	9,377,934	250,000	02.6
Fidelity Und.	28,875,331	1,250,000	04.3
Fire Association	5,123,729	300,000	05.8
Fireman's Fund	5,875,715	240,000	04.0
Firemen's, N. J.	4,650,432	200,000	04.3
First National	954,770		
Franklin Fire, Wash.	329,174		
Franklin Fire, Phila.	1,803,816	59,997	03.3
German-American	14,391,124	600,000	04.1
German-American, Penn.	554,130	28,000	05.0
German Alliance	1,397,622	60,000	04.3
German Fire, Pittsburg	651,615	36,000	05.5
German Fire, Peoria	579,843	20,000	03.4
Germania Fire	4,713,916	200,000	04.2
Girard F. & M.	1,457,286	100,000	06.8
Glens Falls	4,000,155	210,000	05.2
Globe & Rutgers	4,501,382	160,000	03.5
Greenwich	289,076		
Hamilton Fire	265,086		
Hanover Fire	2,811,956	160,000	05.6
Hartford Fire	15,137,620	700,000	04.6
Home, N. Y.	23,265,561	1,050,000	04.5
Home Fire, Utah	976,963	42,000	04.3
Humboldt	830,441	48,000	05.7
Imperial Fire	387,872	213,394	05.5
International Fire	257,269		

Companies	Stockholders Funds	Dividends	Percent
Ins. Co. North America	11,372,621	480,000	04.2
Ins. Co. of the State of Pa.	1,934,240	64,000	03.3
Los Angeles Fire	314,726		
Lumber	639,471	40,000	06.2
Mechanics & Traders	957,234	12,000	12.5
Merchants, Denver	338,546	8,000	02.3
Merchants, N. Y.	632,083	20,000	03.1
Michigan F. & M.	976,082	40,000	04.0
Michigan Commercial	641,457		
Milwaukee Commercial	2,532,563	120,445	04.7
Millers National	1,360,103		
Nassau & Dutchess	996,098	36,000	03.6
National Fire	8,518,180	244,430	02.8
National Lumber	294,148	12,000	04.0
National Union	2,327,558	90,000	03.8
National Ben Franklin	2,067,419	160,000	07.7
Newark	1,420,578	52,432	03.6
New Brunswick Fire	494,642	30,786	06.2
New Hampshire Fire	4,179,293	120,000	02.8
New Jersey	1,499,603		
Niagara Fire	4,654,202	250,000	05.3
Niagara-Detroit	7,379,144	350,000	04.7
North River	1,374,218	34,830	02.5
Northwestern National	3,685,476	150,000	04.0
Northwestern F. & M.	725,272	30,000	04.1
North British & Mercantile, N. Y.	1,639,599	20,000	01.2
Orient	2,295,554	100,000	04.3
Pelican	532,485	20,000	03.7
Peoples National	1,438,852		
Pennsylvania Fire	4,533,737	225,000	04.9
Phoenix	7,813,743	375,497	04.8
Providence-Washington	2,816,665	75,000	02.6
Queen	6,422,103	300,000	04.6
Reliance	920,095	40,000	04.3
Republic Underwriters	846,847	49,151	05.8
Rhode Island Fire	917,409	35,000	03.8
St. Paul F. & M.	4,969,626	100,000	02.0
Security	2,546,862	119,000	04.6
Springfield F. & M.	6,933,150	200,000	02.8
Standard	927,610	30,000	03.2
Sterling	1,357,597		
Stuyvesant	872,734	40,000	04.5
Teutonia, La.	630,852	24,870	03.9
United Firemen's	974,806	32,000	03.2
Westchester	2,785,553	120,000	04.3
Western, Pittsburg	540,929	24,000	04.4
Williamsburgh	2,007,467	37,000	01.8
Totals	\$363,974,979	\$15,420,316	04.2

Principal Court Rulings in the Past Twelve Months

Acceptance of proof, participation in adjustment and issuance of bank check is an admission of liability, and estops the company from asserting that its policy was not in force because without its knowledge there had been a refusal to accept its policy. 3

Substitution by agent of one policy for another with consent of the policyholder releases the first insurer from liability without formal cancellation. 317

Damage by falling wall caused by lightning is covered by the lightning clause. 318

Bran is grain under a policy provision covering grain. 319

Appraisers' report giving value and loss in the aggregate without itemization is insufficient. 318

In the absence of contract, trade fixtures are removable by the tenant as personal property. 364

Building and machinery on leased land are personal property and not real property within the valued policy law. 364

Where new policy is left with the agent for safe keeping, at request of insured, it is binding, though not personally delivered. 225

SEVERAL and SUNDRY

Bankers Assurance Co. Failure

Six suits have been filed against six banks in the Twin Falls, Id., county court by Boise attorneys, for a total of \$9,500.

These suits grow out of the failure of the Bankers Assurance Company, in which each of the defendant banks took out a policy with the Bankers Assurance, guaranteeing their deposits. Instead of paying a cash premium, each bank gave a certificate of deposit.

When the deposit insurance company failed, the bankers refused to pay the premium deposits held by them, as the same had not been earned by the insurer, the failure of which occurred soon after the guarantee policies were issued.

Without fear of contradiction, we venture the statement that the Idaho bankers are not very bright fellows, for they were also caught by the recent Overland Fire Insurance Co. fake, in which they also invested some good money.

N. B. Statisticians Are Wrong

It should occur to the National Board statisticians that the losses per capita are greater outside of than inside of the larger cities with fire protection and plenty of water; but these statistickers, by accepting a newspaper estimate, make the average ratio in the unprotected districts, where losses are generally total, much less per capita. We believe, from our own statistics, that it is a reasonably correct estimate to assume that this country's fire losses are equal to or nearly equal to the total amount paid as fire insurance premiums. This makes the average fire loss per capita \$3.00 and not \$2.16 as "estimated" by the National Board figures.

One hundred and fifty-five Blue Sky measures were introduced in 37 states, while two bills amending the old law were introduced in Kansas. The bills were enacted in 14 states, and one amendment was passed in Kansas. The wording of

many was such as to require duplicate supervision and duplicate reports of life insurance companies in the investment of policyholders' funds.

Clothing Can Easily and Without Damage Be Made Uninflammable

There is now a preparation which renders cloth absolutely uninflammable and does not damage the goods.

The British Fire Prevention Committee has tested textile fabrics treated and untreated of this "flameoff." These fabrics were flannelette, chintz, chiffon, calico, Swiss lace curtains.

The materials as delivered from the manufacturers burnt rapidly in all tests. The materials as washed and treated with "flameoff" charred only in 69 tests, and burnt slightly in 3 tests, out of a total of 72 tests conducted with 57 portions of material.

This protective starch should be used especially in the cleansing of lace curtains and children's clothes; and is of special value also to campers who must use open wood-fires.

California

The present population is 2,700,000. The census of 1910 showed 88,197 farms, nearly half of which were irrigated. Population is only 15 per square mile.

Since the fire some \$30,000,000 has been invested in San Francisco in Class A buildings. Altogether, \$280,000,000 has been invested in new buildings and alterations since the great disaster. Los Angeles has invested \$115,000,000; San Diego, \$26,000,000; Oakland, \$33,000,000; Stockton, \$4,000,000; Sacramento, \$13,000,000; Pasadena, \$11,500,000; San Jose, \$5,400,000; Fresno, \$4,500,000.

One-third of the 21 tons of walnuts consumed is grown in the state.

The rainfall for two years has been less than the average for one year. The rainy season of 1909-10 ended on March 1, besides. Another succeeding dry season would be a calamity indeed.

To the Press

The "secular" editor should know that the cost of insurance is never known, not even life insurance, where mortality has undoubtedly something like an average for a group of average age. There are epidemics, disasters, conflagrations, which disturb averages. Fire losses vary greatly as to hazard or classification of risk, year in and year out, and also vary as to territory; and all yearly fire averages are overthrown, and all fire insurance is shaken to its financial base, by the burning of whole cities. Great conflagrations cannot be prevented except by the abolition of cities.

The cost of insurance being unknown, rates must be prepared by a comparison of company experiences, and must be high enough to yield a profit for the payment of dividends and the accumulation of a surplus to meet the extraordinary losses of bad years and conflagration years.

There must be towns and districts and states every year which pay more than their "share" in order that the companies may be able to pay claimants elsewhere who have paid less in premiums than their "share."

Insurance companies take in premiums, out of which they pay fire claims, adjustment costs, commissions, special taxes, legal fees and expenses, and set aside a reserve required by law. Dividends to stockholders are rarely paid out of premium receipts or underwriting profits, but are paid out of interest earnings.

The difference between "losses" (which means fire claims) and premiums is never profit.

As a whole, fire premium rates in the United States are too low. They have been by law made too low in several states, in which the companies now decline to write many kinds of risks, and in one of these states the companies are ceasing to write any business.

In the past 60 years the losses and expenses in the United States have equaled the premiums. Much insurance capital has been lost.

Liability business is unprofitable.

Life insurance business is unable to pay liberal dividends to stockholders, and as a rule new companies are unable to pay dividends to stockholders for a number of years.

Think on these facts, and when you discuss insurance, which is the preserving salt of all business, be guided by knowledge and be swerved only by a desire to be just.

By the way, don't forget to hand this copy to the second best local agent in your town.

Panics

In this big and growing country of ours, with expansion, stretched credit, and contraction all round, it is said that a so-called panic, or contraction of credit and a general settling up and restoration of real values, must occur every few years, say from 11 to 15. In the panic of '93 some 300 banks failed. Fourteen years later, in 1907, "high finance" banks in New York City began to crash, runs were made on banks everywhere, cash payments were suspended, scrip was issued, and a number of banks failed. That panic was overdue. Some of the business conditions of 1893 now exist, but there has been no such era of speculation and over-capitalization as was the case in 1905-6-7, and business may hope to escape a bank panic for several years yet.

Life Solicitor and Promised Loans

The soliciting agent of an insurance company had no implied authority to make any representations for the company with respect to loans to be made by it.

Where the agent, without authority, induced certain persons to apply for life insurance, and pay the first premium, through his representations that the premiums would be returned if the loans applied for were not made, the company upon failure to make the loans was not liable for the return of the premiums.—Burns & Reilly Real Estate Co. v. Philadelphia Life Ins. Co., 86 A. 642.

—Caledonian.—Net fire premiums in 1912 were £445,155.

Germania Fire Insurance Company

This company's figures of January 1, as lined forth in the 1913 Coast Review Fire Chart, are of the good year sort, with the spring of prosperity. Assets, surplus and reinsurance reserve advanced notably. There has been some pruning of undesirable business, it appears, and the loss ratio was lowered to 48 percent. On the Pacific Coast the Germania wrote \$219,685 premiums last year, with a profitable turn over.

The Germania has \$7,213,762 assets, \$2,613,814 net surplus, \$1,000,000 capital, and an average annual premium income of about \$3,000,000. About half its assets are surplus funds as regards policyholders.

Cheap Registration as an American Aristocrat

For the small sum of \$1 you can be gazetted and advertised as an income tax payer. Under the proposed federal law you have but to confess to an income of \$4,100. The tax on this sum will be only \$1 per annum. Your name will be registered by the government as a member of the fix-income prosperous class, and the newspapers will print your name with others as forming a separate and aristocratic class. Insurance journalists will take notice and govern themselves accordingly and wisely.

A Moving Scene.—A brick building three stories high and 140 ft. by 120 ft., in San Francisco, is being moved. It travels about 26 feet a day and will turn corners and reach its destination in about three months if nothing happens. Here is a chance for London Lloyd's to make a bet.

Who can say where individuality begins and ends, whether the living being is one or many, whether it is the cells which associate themselves into the organism or the organism which dissociates itself into cells?—Bergson.

There are signs that the voters who think have grown weary of legislation by these young and impecunious irresponsibles. The proposal that state legislatures as well as city boards of supervisors or councils be abolished and a commission be substituted has been received with respectful attention.

Sure Preventive of Old Age

Scientists and pseudo-scientists, to say nothing of philosophers and life insurance men, have speculated and written on the cause and prevention of old age. Metchnikoff says sour milk is a preventive, a press dispatch announces the discovery that the reduction in flourine in the blood is the chief cause of old age. Bergson says old age is as much an inheritance as are other bodily changes from the embryo to the finish.

But the Coast Review physicist declares that the surest way to prevent old age is to buy an automobile and drive it fast.

Metropolitan Life Insurance Company

This New York company, hastening to its half century, stands at the head of all life companies in the amount of outstanding insurance. It has \$2,604,966,102 ordinary and industrial insurance in force. It seems but a short time since the first \$1,000,000 life insurance in force in the world was announced by another company; yet here is the Metropolitan Life which, with its gain of \$205,088,015 in 1912, may expect to have more than three billions of outstanding insurance before 1915.

The Metropolitan wrote \$488,167,354 new business last year. It has over \$400,000,000 assets and is adding to them at the rate of a million dollars a week. This is the only non-resident life company which maintains a home office on this Coast, with authority to transact business and issue policies and make other contracts (in San Francisco) precisely as if handled by the home office in New York. The Pacific Coast head office owns an office building, as handsome as a Grecian temple, on "Nob" hill overlooking the bay of San Francisco. George B. Scott is the home office manager in this field. Mr. Scott is also president of the San Francisco Life Underwriters Association.

The Mutual Life began as a cash surrender value company. After two annual premium payments the company purchased any policy at its value in cash. A notice to that effect appeared in all the earlier reports. The first purchase of a surrendered policy was in 1845 when the Mutual was two years old.

ONE THING AND ANOTHER

If you "take things for granted" the bunko man will get you.

* * *

In human life there are two arts: one works wealth, one works woe. One is the art of making friends, the other, the art of making enemies. Each of us is skilled in one of these arts.

* * *

In behalf of the life insurance companies, because in the interest of health, I advise every reader of this paragraph to have his gum-corns treated by a reliable toothist every six months.

* * *

A Los Angeles paper says America is being drained of gold, and its securities are being dumped in Wall street, because there is soon to be a life, slaughtering and property destroying war over all Europe. But the Redwood Logger is truthfully told by a former Russian spy that Japan and Russia, secretly allied, are going to fight the United States. Russia is to have Manchuria. Japan is to have the Philippines and Hawaii; and both the Asiatic nations are to hold Alaska, Arizona and California until a billion dollars ransom-indemnity be paid in cold gold. It is indeed the unexpected that happens.

* * *

Various large interests have political "machines" which elect briefless young lawyers and jobless men to do their bidding and "soak it to" any other interests. This fact explains the many cinch bills and the average low moral character of the American legislator.

* * *

The Sacramento "garden of freaks" has one vigorous variation, the Bagbyoni Doctorium. He suggested, on the second day, that the legislature would best serve the people by adjourning without action and returning home. Unfortunately, however, this suggestion went unheeded, and the members of the parley-body, having no business of their own at home, preferred to linger at Sacramento and do as much damage as possible to the business of the people of the state.

This unique member of the assembly has done a public service, perhaps has launched a political revolution by proposing the abolition of the legislature and the substitution of a single body of forty men, elected for four years, who shall give their whole time to legislation. Such a measure, as an adopted constitutional amendment, may some day rescue business from the clutches of incompetent and dishonest young men.

* * *

My own pet idea is a legislature always in session at home and chosen by lottery, whose measures must be approved by a majority of the registered voters—a body of men able to make a living, who are forbidden to introduce bills at the capital, to which they go only once in four years, except by command of the governor when some great emergency arises.

* * *

In these days American state legislatures, like armies, are composed mainly of "boys"—young men without any business experience who are chosen to pass laws affecting business—because business men and successful and experienced men generally cannot afford to give the necessary time for campaigning for election and for the tedious bartering session at the state capital.

* * *

I have the great pleasure to announce that the tariff on diamonds is to be greatly reduced, thus permitting us poor news men to buy and wear these volcanic carbons and soak 'em at uncle's. Special agents and life men are not the only insurance men who hereafter will wear diamonds.

* * *

Here is one of the thoughts of that strange genius, Fritz Nietzsche, on seeing soldiers on the way to battle: "The strongest and highest Will to Life does not find expression in a miserable struggle for existence, but in a Will to War, a Will to Power, a Will to Overpower!" Which same thought I commend to Prof. Jordan and the Lord of Skibo.

* * *

What a dying, reviving, ranging, changing thing is language. Some two centuries ago "decoy" was spelt "duckoy."

A state as well as a city government should be a practical business organization, controlled by selected men of experience, ability and character. Our descendants will scorn our memory when they read that a legislator of 1913 was usually a man unable to succeed in any business but who gained a majority of the votes of men who didn't know him, by visiting saloons and spending weeks of his own and the money of others campaigning first for a nomination and second for an election.

* * *

The meanest man or woman is always a nagger.

* * *

The humblest worker is quite as essential to the industrial or commercial organization as the highest official. This human life machine requires every kind of talent, actual and possible. There is a place for every one according to "hisher" talent.

* * *

At 7.30 p. m. he blew into the Coast Review editorial office and cheerfully cried "hello!" It was in the winter time but the unexpected visitor was clad in a light-colored summer suit and wore besides a bland alcoholic smile. "You have forgotten me?" he asked reproachfully. "Many a time I've signed a check for the dear old Coast Review." Pretty raw, thought the editor, he'll touch me for about \$2. "I'm Soandso, and for years worked in the — office here. Have just returned from New — where I was vice president of the —. How are — and —? Good boys! Say, I'm going to ask you for a small favor. It's tough for a man — and a fire underwriter who's been getting \$6,000 a year salary. Kindly let me have half-a-dollar for a night's lodging. Tomorrow I'll brace up. Thank you. Good night." And on the morrow he "braced" everybody, and "conveyed" a few hats and coats from their pegs and disappeared, did this ex-vice president.

* * *

The young husband does not truly love the wife nor children whom he refuses to protect with a family protection (called life insurance) policy.

Ignorance is always abusive; the man who does not know is full of violent affirmations and malign interpretations.—J. H. Fabre.

* * *

The dyeing man is usually not insurable.

* * *

Incendiary fires are increasing in number on the Coast. Business is dull.

* * *

T. J. A. Tiedemann carries a very beautiful watch, with a gold case suitably inscribed and uniquely "turned." It is the gift of the Michigan Commercial Ins. Co., which he successfully represented on this Coast until the department was abolished. Accompanying the present was a letter from Secretary Baker, which Mr. Tiedemann prizes very highly. Mr. Baker, in the letter, gracefully testifies to Mr. Tiedemann's loyal services to the Michigan Commercial and expresses in pleasing phrases his cordial personal esteem. If you have not seen "Tieddy's" watch ask him to show it to you.

* * *

He is a woefully weak and worthless man who never acknowledges himself to blame.

* * *

The easiest way to make money is to buy for less than the thing is worth—and to be doubly sure that you pay no more.

* * *

That California legislator who proposed to let the erring "south of Tehachapi" sister become the new state of Cafeteria might have gained permanent publicity had he told us whether the word is pronounced Caffy-TERIA or CafAyTEREEA.

* * *

He was introduced to his opponent in a game of golf and went the eighteen. After the game was over he was asked, "what do you think of your opponent?" "A perfect gentleman," was the answer, "but he is remarkably reticent." And to this day Mr. Z. refuses to believe that his opponent in that game of golf is both deaf and dumb.

* * *

Have you noticed that the smallest reader is the biggest talker?

LOOKING BACKWARD

Twenty Years Ago

The Coast fire premiums for 1892 were less than \$12,000,000. The Fireman's Fund led with a total of \$632,028.

Of the companies then on the Coast the following have retired:

Oakland Home,
 State Investment,
 Sun of San Francisco,
 American of Boston,
 American of New York,
 Boylston,
 Delaware,
 Farragut,
 Firemens of Maryland,
 Manufacturers and Builders,
 Merchants,
 National of New York,
 New York Bowery,
 Peoples,
 National of New Zealand,
 North German,
 Transatlantic,
 Alliance,
 Phenix,
 Reading,
 Rochester German,
 Southern,
 Spring Garden,
 Traders,
 Union of P. A.
 Baloise,
 General,
 Guardian,
 Hamburg-Magdeburg,
 Helvetia Swiss,
 Imperial of London,
 Lancashire,
 Lion,
 Magdeburg,
 Manchester,
 Tontonia.

Of these thirty-seven retired companies only seven survive. Two others really passed out of existence and have been reorganized by their new owners. Thirty-one have actually gone out of existence. The Home of San Francisco, however, still maintains its charter and its owners have

already had an opportunity to rehabilitate it with ample capital.

There were one hundred and two fire companies operating on the Coast in 1892, thirty-one of which found fire underwriting unprofitable.

The Seattle Chamber of Commerce passed a resolution in opposition to the proposed anti-compact law, as not being in the interests of the insured. The resolution said in part:

"We believe that the present union of the stronger and better companies enables them to write insurance in more just and uniform way, and in the long run to give better rates to the insured than would otherwise be the case."

J. B. Nation, secretary of the Tacoma Insurance Co., sent letters to the managers of Eastern companies, soliciting contributions of \$25 from each to enable him to prevent the passage of the anti-compact bill. He said he was the only insurance man at Olympia.

The Coast Review published a fine half-tone of Sergeant John R. Vaughn, of fire patrol No. 3 of New York City. Sergeant Vaughn, in a fire in February in the Hotel Royal, rescued five persons who otherwise would have lost their lives. He hazarded his own life. With his comrades holding him by the legs he threw himself down over the cornice and rescued a man who weighed more than two hundred pounds who stood in a window beneath. He made a bridge of his body between the windows of one of the upper floors, and four persons, one of them a child, were conveyed over this human bridge.

Thomas Goodrich was elected president of the Niagara fire.

Tyler Curtis, San Francisco's mayor, was the first president of the State Investment and Insurance Company of San Francisco.

Charles A. Cushing was the first secretary.

Peter Donohue was president in 1873, and was succeeded by Mayor A. J. Bryant.

The Palatine and Union Fire of Manchester, England, were consolidated.

Irregularities of President Green's Connection with the Pacific Coast Casualty Co.

The retirement of Edmond F. Green from the presidency of the Pacific Coast Casualty Company was hardly voluntary, according to recent developments. An investigation of the books showed some grave irregularities on the part of Mr. Green, to use no harsher term; and he has retired with a considerable sum of money owing to the company, which is not offset by the securities which the company holds.

The insurance commissioner of California is investigating the affairs of the company and he has progressed far enough to find that the actual condition is even better than as set forth in the statement prepared for the stockholders.

The net amount of the shortage is now definitely known, and with all contingent liabilities added a good net surplus is assured, in excess of the paid-up capital. Temporarily a part of the capital will probably be transferred to the surplus.

The new interests now in control will have the co-operation of some wealthy men who will actively aid in placing the Pacific Coast Casualty in a better position than at any previous time.

Ex-President Green and ex-Manager Marshal Frank are expected to return to San Francisco shortly.

The Connecticut General is now below Tehachapi in the Los Angeles office of Geo. L. Dickinson.

Helena, Mont.—The dept. here is hot after the Western Underwriters at Retail Merchant's Exchange, an inter-insurer's cut-rater operating unlawfully.

Binghamton, N. Y.—Probably the burning of a clothing plant here caused the death of over 70 women employees.

Fire.—Grangeville, Ida., 18, \$10,000 fire in business district.

Monthly Premium Plan

The Equitable Life will now write policies on the monthly premium plan in amounts from \$500 up, at 10 percent increase in rates.

The St. Paul's semi-annual figures are \$9,152,281 assets and \$3,010,189 net surplus. The reinsurance reserve gained \$159,000; the net surplus gained about as much, and the assets gained some \$367,000.

Marine Loss.—Back firing of engine caused the burning of the cannery tender Jack Horner in Alaskan waters. No insurance.

Oakland, Calif., will blow electric horns from electroliers as a signal to clear the street for the conquering fire heroes and their apparatus.

Fire.—Portland, Or., 18, paint and oil store of Fisher-Thorsen Co. Bremerton, Wash., 18, Eagle hotel. San Francisco, Utah st., near 15th, Chas. Harley Paper Co. warehouse. Kennett, Cal., 18, Commercial hotel burned like tinder.

Los Angeles.—Frank L. Wheat's United Protective Life Association is the latest. For this wheat buy and buy.

There are no spots on the sun but New Mexico had an earth shiver today which rattled the dry plates in the pantry.

Tacoma, Wash.—On July 17 fire destroyed the Dreamland skating rink on D street.

Snow is falling in Republic, Wash.

Sacramento, Cal.—Agents here have declared against every new annex.

Geo. B. Cox, boss politician in Cincinnati, charged with misappropriating \$115,000, escaped because the evidence was not sufficient. How about the Missouri Life Ins. Co., which we are told is controlled by Cox?

Seattle postoffice receipts gained 16 percent in the past fiscal year.

Refuses to Accept Corporate Surety Bond

The agent of the New York Life in San Francisco—or is he called cashier?—refuses to accept the bond of a first-rate company, which was offered as a guarantee required of the holder of a lost policy. The surrender value is small but the company's representative told the policyholder that the amount due under the lost life policy would not be paid until he furnished a bond with two personal bondsmen.

The New York Life in some respects, it is evident, is not up to date.

Forest rangers are breaking and burying all bottles found, lest the sun's rays focus a fire.

London.—Lloyds are writing policies "that there will be no general election this year," at 15 shillings percent, which in England seems to mean per thousand.

London.—Since the Rand riots began some \$10,000,000 insurance against damage by riots and strikes has been placed here; while the new fire insurance amounts to \$100,000,000.

Empty Houses in London.—Recently there have been many fires in empty houses. Owing to the activity of the suffragists, underwriters have been loth to insure empty houses.

Interinsurers in the East have been hardly hit over the solar plexus by recent cannery losses. All things come to the interinsurers who wait long enough. One loss was \$75,000.

Now we'll see what Mgr. H. M. Kelsey does for the Hamburg-Bremen.

The insurance business might be held in better esteem if the policies made conspicuous such as "not exceeding"—and if the companies advertised more liberally. The general press is not merely indifferent—it is hostile.

On page 4 you will find an account of the proposed enlargement of the Metropolitan Life building on "Nob" hill in San Francisco.

Reinsured

The California National Life of San Francisco, as long expected, has reinsured. For a long time this has been expected, but it was supposed a San Francisco company would take it over. It was organized to be consolidated with another California company. We are not prepared to say anything in favor of the reinsurer, the International. Later, we shall have something to say on the subject.

An unreliable contemporary is publishing nonsense and falsehoods in favor of ex-President Green of the Pacific Coast Casualty. Believe nothing it says.

Panama Pacific Fair.—The marine section will cover 65,000 square feet. The National Museum of Safety will have 15,000 square feet. This is "on the level."

Personal.—United States Manager McIlwaine of the London & Lancashire Fire will visit San Francisco soon.

Personal.—Manager Lermitt of the Western department of the Northern Assurance will make his usual visit to the Coast this month.

The latest quotation is \$7 offered for the stock of the Western States Life, par value \$10, original cost \$20.

Personal.—Secretary Weinmann of the Fireman's Fund is surveying London.

General Agent Irving of the Phoenix Assurance and Union Marine is inspecting the pool of Liverpool. Meantime, Assistant General Agent Gallegos is in cheerful charge of the office in the Security building, in San Francisco, with that smile that never wears off.

Safety Engineering is the new name of Insurance Engineering. The scope of this valuable New York publication has been broadened. A recent number contains an article on "Safe and Unsafe Resort Hotels." Among the states in which most such fires have occurred California ranks 5, with 14 reported. New York leads with 72. These figures are derived from the 5-year fire record. Nearly 20 percent of the fires were of incendiary origin.

CASUALTY INSURANCE

Familiarity Breeds Contempt and Danger

In our machine shops and factories, where accidents are of more or less frequent occurrence, it seems probable that an investigation would reveal the fact that the majority of the victims are either new or old employees. The new incur accidental injuries because of their ignorance of the machinery and the hazards thereof. The old (in years of service) incur injuries because of their familiarity and consequent carelessness. They are over confident. May it not be well, therefore, to shift the older employees with some frequency, from place to place, from job to job, from machine to machine, where possible? Strange or unlike conditions rouse attention and promote alertness.

"Liability Commissions Must Be Reduced"

This, in substance, is the opinion of Insurance Superintendent Emmet of New York. He has written an "open letter" to all casualty companies doing business under the supervision of his department, beginning--

"The condition in the liability business has become so serious that this department intends to hereafter call the various companies to strict account in their conduct of this class of business.

"The companies generally have been and now are writing liability business at a premium insufficient to take care of the losses and expenses.

"Its continuance will mean insolvency.

"A study of the loss reserves of the various companies shows that practically every one of them has set aside an insufficient amount to take care of future losses on its liability business.

"There can be no justification for a commission in excess of 15 percent to brokers, and perhaps a slight increase over that rate to agents, but in no event should the total commissions exceed 20 percent."

The department introduces something new in insurance supervision when the superintendent concludes:

"This department will insist upon the companies conducting their liability business upon a sound basis."

Rates must be free from the influence of competition.

Commissions must not exceed the percentages stated above.

Administration expenses must be minimized.

The certificate of any company doing business contrary to these "recommendations" will be revoked.

Golf Balls Have Dangerous Cores

Many of the golf balls now in use have a core sack filled with heavy cheap chemicals that are injurious. Around this filled sack rubber strands are wound under tension. If such ball is cut open, and the knife penetrates this sack, the caustic fluid spurts out and burns the flesh and may destroy the sight. In reported cases the surgeon was obliged to remove the eyeball.

A press dispatch says a small boy cut open a ball, removed the acid sack and placed it in his mouth, where it exploded. The boy swallowed some of the acid and bled to death.

Casualty companies should collect their agency balances in a given field in the same time as required by the fire companies.

The Workmen's Compensation Service Bureau has recommended large advances in a number of states in the South and Middle West, from 25 to 50 percent.

The Standard Accident has discontinued writing liability risks in states having workmen's compensation laws.

The bank failed in 1906. The defaulting cashier was bonded by the United States F. & G., which denied liability. Lower court decided for the bank. Last week the Indiana supreme court sustained the lower court. The defendant company, after seven years courtship, must pay \$28,500 under its bond, including costs.

LIFE INSURANCE

Best's Policy Analyses

The 1913 edition of Best's Policy Analyses and Dividend Illustrations has been received from Alfred M. Best Co., New York City. In analyzing the policy contracts the publisher has used in practically every case the 20-payment life plan. The questions in re-analysis number 23. There are 387 pages. India paper. Nicely bound and fit for the pocket.

Fraternal Fakes?

Insurance Commissioner Ferguson of Oregon says he would not renew the license of the

Order of Puritans of Pittsburg as it is not conducted as a fraternal benefit society within the law.

The same applies to the Lincoln Annuity Union of San Francisco. Both "societies" are of uncertain financial status, and the commissioner says the public is best served by debarring them from Oregon.

Other societies will be debarred from the state because of inadequate rates.

For Life Solicitors

Don't hang around the office waiting for the mail. Spend your time in front of your prospect.

It's the size of the man and not the size of the territory that counts. Making good in a small way is a lot better than failing on a large and magnificent scale, as some men prefer to do.

Don't use a minute more of the time of the man you solicit than you can avoid and still do yourself justice.

There's always room on the top, but there are no cushioned elevators for the insurance agent. He must climb.

Don't argue to the point about things you cannot prove.

The life agent must meet rebuffs with good humor and repel insult with dignity.

Don't try to excuse yourself for not working. It's much easier to work and it pays better.

Be polite. It'll help to make you strong. The granite column is no less strong because polished.

No matter how busy a man is nor what the money value of his employment, he will have to take time to die, and finally, write only quality business—the only sort that pays.—Prudential Weekly Record.

Metropolitan Life's Special Bulletin

Bearing the company's watchword, "first, last and all the time, a business in every respect beyond reproach," the Metropolitan's Bulletin of June 30 announces the assumption of the business of the Union Life Assurance Company of Canada. The former superintendents, assistants and agents of the Union enter the service of the reinsurer.

A requirement of the Metropolitan that admits of no exception, is that every man in its service shall realize that the company's most solemn duty is to its policyholders; every applicant must have full knowledge of the provisions of the policy. Policyholders must be treated fairly, courteously and with patient consideration. From an agent a day's work every day is required, a day of endeavor to write business. This special bulletin, addressed to the medical and field staff in the Dominion of Canada, is signed by Second Vice President Gaston.

Life Business or the Decline in Great Britain

There are about 200 life companies operating in the United Kingdom and about 85 life-industrial. Policies ordinary average a little more than \$1,000. Of 245,000 policies written in 1912 the total amount was only \$248,000,000, or less than is written in our Empire state. New reported business is falling off in Great Britain and Ireland. The returns are as made by the government blue book.

The Washington state population per square mile is 17. Oregon and Colorado, 7 each.

Tarbellized

Ex-Vice President Gage E. Tarbell, of the Equitable Life, led a suffragette parade at Hempstead, L. I., on Decoration Day in female garb. "He was clad in a white garment, which reached to his knees. A pair of socks fastened with a pair of garters were much in evidence. Over this he wore a kimono and a gray hunting jacket. His luxuriant mustache, with an extra twist at the tips, curled out beneath the shade of a wide straw hat," says a New York Times report.—The Weekly Underwriter.

What with his manly form—that luxurious mustache—that military strut and like the Apollo Belvedere, he must have been some show at the Garden City, and a suffragette at that. Well it may have been that all of his neighbors to whom he has sold lots or homes are suffragettes and he may have had to do it, and again it may be that he wants only to have a suffragette colony at Garden City. Poor Gage since he left life insurance is rarely heard of now-a-days, but anyhow he is not missed.—Baltimore Underwriter.

State Life Insurance

One noteworthy increase in purely life insurance legislative proposals was along the line of providing for state life insurance. Twenty-five bills, nearly all of them following almost word for word the Wisconsin act of 1911, were introduced in 14 states. Up to the time of this report 13 legislatures in which 23 of these bills had been introduced had adjourned without any of them being enacted into law. The two bills still pending are in the Illinois legislature. In no instance did this association offer or present any opposition to such legislation, nor did any life insurance men do so, so far as we are informed. It would seem, therefore, from the result noted, that there is at present no demand on the part of the people generally for state life insurance. Doubtless this fact is largely due to the low rates offered by the privately managed companies in this country. The mutual character of this business, with its keen competition and its thorough state supervision, guarantees a

continued low-priced service to the people. In Illinois, in addition to a bill along the line of the Wisconsin act, there is pending a measure establishing a state life insurance bureau and providing for compulsory assessment insurance by all residents of the state twenty-one years old and upwards.—Report of Association of Life Insurance Presidents.

The chancery court of Arkansas has just handed down a decision holding that the life insurance companies are not liable for the back taxes sued for by the state. More than one and one-half million dollars is involved in the suits. The state brought action last August against forty-two life companies seeking to recover alleged back taxes which it claimed had been accruing annually since 1875. The decision was made in a test case in which thirty companies joined in the defense, including all the companies in the Association of Life Insurance Presidents doing business in the state and a number of others. The state sought to collect most of these back taxes under a law enacted in 1873, imposing a tax of three percent upon gross premiums of insurance companies. It was claimed by the state that the statutes imposed this tax in addition to the tax of two and one-half percent on net receipts required by the law of 1875. The answer of the companies was that the law of 1873 was repealed by the act of 1875. The chancery court's order sustains this contention of the companies.

Every year it is necessary to explain many times to legislators the scientific character of life insurance and how its operations are conducted in accordance with the immutable law of average. One such instance this year was with respect to a bill introduced in Wyoming providing for an arbitrary and inelastic reserves basis. The bill was absolutely at variance with the practices in every other state in the union and did not present a workable proposition. In this particular instance it would have been impossible for a domestic life insurance company to have conducted business in that state, and upon the fact being shown, this measure failed of passage.—Report of Association of Life Ins. Presidents.

INSURANCE OF ALL KINDS

Automobile Decision

Under an insurance policy indemnifying against loss or damage occasioned to an automobile by theft, robbery or pilferage, the owner cannot recover for damages to the machine when taken and used by another without the owner's consent but without intent to steal.—Hartford Fire Ins. Co. v. Wimbish, 78 S. E. 265.

As used in a policy insuring an automobile against theft, robbery, or pilferage, the word "theft" was synonymous with larceny, the word "robbery" had the same meaning as it is given by the Penal Code, and the word "pilferage" meant petty larceny; intent to steal being a necessary ingredient of all three offenses.—Id.

Special Agents' Association of the Pacific Northwest

The semi-annual meeting of this association was held as announced, last month, at Spokane. Those present were: Wm. Deans, president; Frank E. Atkins, Frank E. Emerick, F. W. Gaston, J. Robb Gay, P. W. Gedney, W. S. Gill, C. B. Harris, H. P. Hildreth, J. Edward Johnson, V. P. McDowell, E. C. Morgan, Noah L. Nelson, and twelve other field men who are eligible and equally handsome.

The by-laws were amended so as to admit to membership field men traveling in Idaho and Montana. Elections to temporary membership were: G. S. Mariner, Aetna; C. A. Wendler, Agricultural, etc.; V. B. McDowell, Home; H. C. Edmundson, Scottish Union; A. S. Heatfield, Hanover; H. F. Mills, Aetna; P. B. Churchill, Fire Association; A. W. Nyblom, Montana Fire.

The report of the Washington committee was notably interesting. It presents comparative board and non-board 1911 and 1912 figures, showing a total decrease in Washington and a total increase in Oregon. In the former state both classes lost in premium income; in the latter, both made gains. In Washington the mutuals and lloyds increased 1 in number and \$68,515 in

amount of premiums. In Oregon the non-board companies, under the new deposit law, increased 12, or 50 percent.

In Washington the board companies' premiums decreased \$315,536 or 7½ percent; the non-board decreased \$225,167 or 20 percent.

In Oregon the board companies increased premiums \$147,424 or 6 percent, and the non-board, \$166,024 or 30 percent.

The Washington experience, as submitted by the committee, was as follows:

1911—76 Board companies wrote	\$4,200,545
41 Non-board " "	1,094,038
18 Mut'ls and Lloyds wrote	455,210
	<hr/>
	\$5,749,793
1912—80 Board companies wrote	3,885,009
49 Non-board " "	868,871
19 Mut'ls and Lloyds wrote	533,725
	<hr/>
	\$5,277,605

The Oregon experience was as follows:

1911—71 Board companies wrote	\$2,466,527
25 Non-board " "	554,390
	<hr/>
	\$3,020,917
1912—71 Board companies wrote	2,613,951
37 Non-board " "	720,414
	<hr/>
	\$3,334,365

Panama Fair Facts.—Nebraska is too poor to exhibit at the Great Fair. Besides, that state has nothing to exhibit but cyclones and B. B. The P. P. E. people have expended \$2,833,755, chiefly in filling in the Fair property. The state and foreign buildings generally will have some handsome paintings on their walls. Three-fifths of the subscription sum to the Fair is due now and has been collected — excepting the delinquents. Opening day is only nineteen months away. The floors of several large buildings have been laid.

Oakland, Cal., finds itself unable to sell its bonds at 4½ percent interest.

The sane Fourth adds to the fire underwriting profit.

Germania Fire Enters the Board

The Germania Fire, a strong conservative company of good repute, has entered the Board of Fire Underwriters of the Pacific. It has been given time to adjust its agency contracts to the requirements of the Board.

Geo. B. Edwards, who has been with the Germania Fire for nearly 40 years, and has good executive as well as underwriting ability, has been elected president.

Extension of Credit for Premiums Violates the Anti-Rebate Law

The Washington Insurance department holds that the extension of credit for premiums by any agent is a violation of the anti-rebate law, and that if interest is not charged and added to the overdue premium he will prosecute the offending agent even if he advances the premium out of his own pocket.

The governor of Wisconsin has signed the bill which permits the extension of 60 days' credit on a premium without interest and beyond that period at not less than the legal rate of interest, without a violation of the anti-rebate law.

On the contrary, the insurance department of West Virginia says that the extension of credit for premiums is not a rebate.

Pennsylvania Fire Insurance Company

Every year increases the resources of this old and favorably known Philadelphia company; and the reserves advance accordingly. By the way, the reinsurance reserve is uniformly in excess of the premium income. The Pennsylvania Fire is among the five or six companies that, for five years past have reported a reinsurance reserve in excess of the premium income.

Again, too, the yearly income is uniformly and notably, year after year, in excess of the disbursements. There is quite regularly an underwriting profit.

The Pennsylvania now has \$7,855,611 assets, a gain of nearly \$234,000 in the year. The surplus to policyholders is \$3,082,697, a gain of over \$92,000.

The Pacific department, under R. W. Osborn, is doing well, with a handsome pre-

mium income and a moderate loss ratio. Modern and attractive quarters in the Royal Insurance building, San Francisco, make the transaction of business a satisfaction to all concerned.

Washington State Fire Association Meeting

At the meeting in Seattle this week this unattached association elected officers as follows:

President, H. B. Scheitlin of Seattle; vice president, Thomas K. Binnie of Spokane; secretary-treasurer, R. E. Mahaffey of Tacoma, to succeed himself.

At the first day's session Lee McKenzie, Walter F. Keene and Insurance Commissioner H. O. Fishback were among the speakers. The latter explained the new insurance code and his interpretation thereof. The convention then voted to cooperate with him in the enforcement of the laws as thus explained.

The Missouri state insurance Cæsar warns the fire companies that it is the invariable custom for the supreme court of our state biggodsah to decide exactly as our attorney-general rules. Meantime, building operations have almost ceased in the Cæsar's state, because the cruel money-lenders refuse to lend without the protection of fire insurance in sound companies.

Chicago.—Cohen, Covitz and Clarke are the Chicago incendiary trio. Joseph Clarke is a public adjuster who paid a man to start a fire. And thereby things were started, leading to the indictment of many firebugs. The jury found Clarke guilty. W. L. Titus, a special agent and adjuster, has been found guilty of fraudulent practices. "Things ill-got have ever bad success."

Lloyd's Failure.—Another underwriter at Lloyd's, London, is a bankrupt. Reginald Drury Hodgson has failed with \$10 assets and \$70,120 debts. Underwriting losses cleaned the young man out.

The Russia reports 49,040,220 roubles premium income.

Connecticut Mutual Finds Many Missing Policyholders

Some 3,209 "missing" policyholders, with equity or automatic values in their policies unknown to them, were in the books of the Connecticut Mutual Life but their present addresses were unknown. The holders had lost sight of their equities. The company began a systematic search for them, and found that about one of every fifteen was dead, and nearly all or their beneficiaries have been found and notified of their rights.

Semi-Annual Figures of the Home of New York

Cash capital	\$ 3,000,000
Premium reserve fund	12,748,620
Loss reserve fund	1,251,569
Miscellaneous and other reserves	581,531
Reserve as a conflagration surplus	1,800,000
Surplus over capital, liabilities and contingencies	13,095,225
Surplus to policyholders	17,895,225
Assets	32,476,945

The increase in reinsurance reserve has been over \$400,000. Assets and surplus show the decline in values of stocks and bonds of all kinds.

Two Arizona Companies

Years ago we warned the public and insurance men against the Merchants' and Insurers' Reporting Co. of Los Angeles and Joshua E. Youtz. Joshua blows a powerful horn which has heretofore shaken golden fruit from the plum-tree; but now they do say he is up against a wall which will not down. Some of the stockholders are trying to oust him, and he is now charged with issuing 5,000 shares of treasury stock in order to secure control of a majority of the proxies. We are not surprised. At the recent meeting a court injunction would not permit the voting of the treasury stock. There was much denunciatory talking at this meeting prior to the adjournment.

The Arizona companies that are involved are the Bankers Fire and the Phoenix Fire Underwriters, organized by Youtz through the so-called Reporting Co. If they don't "break away" they will probably "take the count."

Casualty Folks Foregather in Kaybec

The third annual meeting of the International Association of Casualty and Surety Underwriters met last week in the old French city on the left bank of the St. Lawrence, convenient to the Frontenac. Chas. H. Holland was elected president.

Only 7½ Bid for Western States Life Stock

Curbstone or unlisted securities quotations of July 18 in San Francisco include \$7.50 offered for Western States Life Insurance Company stock. The asked price was \$8.00. A little over a year ago \$17.50 was bid.

The bids and sales and asking figures for the stock of this new company have been steadily declining. The original cost was \$20.00.

Recently the company had a small surplus over the par value of \$10.00, but the expenses of the business are very high and if any surplus now exists it is probably nominal.

If we assume the book value to be \$10.00 and that no dividend will be paid for five years, the present value, carrying as it must the danger of further loss and an assessment, may be as low as \$6.00 or less. Some time ago we estimated the value of the stock at \$8.00 when \$12.00 was asked, and now when \$7.50 is offered, we venture to say that this figure is too high, unless the Western States merges with some older and better managed company.

St. Looy.—Of course the supreme court used the same quill with the Mizzoory attorney-general and the insurance superintendent. We politicians, gentlemen of the jury, must stand together. One weak company appears to have presented to the superintendent a copy of the companies' attorney's advisory letter. There are Pukes elsewhere, it seems. Our political supreme court holds that the suspenders are worthy of the gallows and must answer to a charge of conspiracy when they jointly declined to lose more money and thrust their neck into a noose.

M. P.

The meanest policeman is alcohol, which always and everywhere arrests digestion.

San Francisco City Business First Six Months of 1913

New York Underwriters	\$ 12,069	Republic Underwriters	8,037
Home of Salt Lake	3,371		11,876
Teutonia	3,973	Niagara	22,606
		Detroit F. & M.	1,866
		Detroit Underwriters	4,560
	\$ 19,413		\$ 29,032
	24,045		18,185
Phoenix Assur.	34,270	London & Lancashire	23,962
Pelican	3,438	Orient	8,894
	\$ 37,708		\$ 32,856
	43,664		46,749
Western Assurance	11,892	Yorkshire Fire	8,566
	13,849		5,150
Springfield	35,017	London Assur.	39,958
Newark	2,988		48,067
	\$ 38,005	Sun	24,164
	49,081	Michigan F. & M.	6,546
Union Assurance	24,463	National Fire	30,732
	32,465	Colonial Fire	10,037
Ætna	76,996	Mechanics & Traders	4,565
	93,606		\$ 76,044
Liverpool & London & Globe	127,112		104,311
	160,181	Commercial Union Assur.	15,020
Century	2,260	Commercial Union of N. Y.	1,262
Home	123,038	Palatine	7,699
	\$ 125,298		\$ 23,981
	137,659		34,110
Dixie	5,974	North British & M	33,896
National Ben Franklin	27,556		49,027
United Firemen's	7,049	Continental	42,789
Humboldt	12,283	Fidelity-Phenix	24,033
	\$ 52,862		\$ 66,822
	38,910		59,725
Westchester	10,989	Law Union & Rock	7,390
Camden	1,858		6,167
	\$ 12,847	Fireman's Fund	46,253
	17,752		50,045
Fire Association	25,822	Connecticut Fire	23,962
	32,067		29,321
American Central Insurance Co.	13,963	Citizens	68
St. Paul F. and M. Insurance Co.	12,708	(net) Hartford	60,534
Mercantile F. & M. Underwriters' Agcy.	529		\$ 60,602
Minnesota Underwriters	516		59,666
	\$ 27,716	New Hampshire Fire	13,737
	33,751		

San Francisco Half-Year Fire Premiums

Lower Rates Cause a Decline of About 30 Per Cent

Aachen & Munich	199
Caledonian	7,603
	<hr/>
	\$ 7,802
	7,692
Atlas Assurance	16,975
	20,275
Providence-Washington	14,156
Boston	2,717
Old Colony	378
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	\$ 17,251
	12,765
Norwich Union (3 mos. only, Apr., May, June)	8,255
Northwestern F. & M. " " "	508
	<hr/>
	\$ 8,763
Firemen's	9,987
Eastern Underwriters	3,355
German American P. A.	905
	<hr/>
	\$ 14,247
	18,848
Ins. Co. North America	34,549
Alliance	7,569
	<hr/>
	\$ 42,118
	50,112
Agricultural	11,573
Globe & Rutgers	16,617
Globe Underwriters	719
Hamilton	605
Svea	7,716
	<hr/>
	\$ 37,230
	48,330
Jersey Underwriters (May and June only) . .	4,398
Michigan Commercial	9,366
California	28,467
Arizona	631
	<hr/>
	\$ 38,464
	42,751
Mich. Com. in previous year	\$5,701
Rio Grande	2,282
German	2,727
	<hr/>
	\$ 5,009
	4,267

City of New York	7,123
	6,585
Rhode Island	3,059
American, N. J. Underwriters	13,342
Rochester German	2,593
	<hr/>
	\$ 15,935
	26,178
Girard	7,477
Glens Falls	7,425
Security	8,585
New Haven Underwriters	3,492
	<hr/>
	\$ 26,979
	21,338
Northwestern National	9,570
	4,704
Pennsylvania Fire	9,600
	11,445
Vulcan Fire Ins. Co.	1,321
Royal	68,779
Queen	19,327
	<hr/>
	\$ 88,106
	128,237
German American	24,039
Phoenix	30,073
Protector Underwriters	1,087
Equitable Fire & Marine	567
	<hr/>
	55,767
	73,200
Pacific	2,974
Stuyvesant	4,843
Greenwich	2,194
State of Penn.	8,875
	<hr/>
	\$ 18,886
	11,091
Franklin	516
	255
National Union	72,341
	50,749
Scottish Union	21,311
State Assurance	1,135
	<hr/>
	\$ 22,446
	25,284

Decrease percentage, 30.

The small type figures are those of the first half of 1912.

BOARD AND NON-BOARD CALIFORNIA FIRE BUSINESS IN 1912

	Net S. F. Premiums	Written	Premiums	Aver. Prem. Rate	Losses Paid	Loss Ratio	Losses Paid	Loss Ratio
Total Board	\$3,455,010	\$ 861,044,523	\$13,493,266	1.56	\$4,597,403	34.0	\$4,484,974	33.2
Total Non-Board . . .	712,155	182,392,013	2,658,373	1.45	858,603	32.2	925,820	34.8
Grand Totals	\$4,167,165	\$1,043,436,536	\$16,151,639	1.54	\$5,456,006	33.7	\$5,410,794	33.4
American Cos.	\$2,701,452	\$ 726,780,470	\$11,172,563	1.53	\$3,794,909	34.1	\$3,903,317	35.1
Board	2,006,822	556,315,346	8,687,696	1.56	3,017,735	34.7	3,075,076	35.4
Non-Board	694,630	170,465,124	2,484,867	1.45	777,174	31.3	828,241	33.3
Foreign Cos.	\$1,465,713	\$ 316,656,066	\$ 4,979,076	1.57	\$1,661,097	33.3	\$1,507,477	30.3
Board	1,448,188	304,729,177	4,805,570	1.57	1,579,668	32.9	1,409,898	29.3
Non-Board	17,525	11,926,889	173,506	1.45	81,429	47.0	97,579	56.4

Board companies' San Francisco premiums, owing to reduced rates partly, fell off about \$544,-000. Non-Board gain, about \$5,400; net loss \$18,000. Board companies percent of San Francisco premiums, 82, against 85 in previous year.

Board companies' California premiums gained \$83,000. Non-Board companies gained \$21,000, including a mutual; net loss \$122,000.

Board California premiums in 1910 were \$14,295,789 and non-board, \$1,578,418.

BOARD AND NON-BOARD COAST FIRE BUSINESS IN 1912

	Written	Premiums	Aver. Prem. Rate	Loss Paid	Loss Ratio	Losses Incurred	Loss Ratio
Total Board	\$1,582,953,881	\$26,164,575	1.65	\$10,803,737	40.5	\$10,582,029	40.4
Total Non-Board	365,225,117	4,811,511	1.32	1,812,617	37.6	1,896,497	39.4
Grand Totals	\$1,948,178,998	\$30,976,086	1.58	\$12,616,354	40.7	\$12,478,526	40.2
American Cos.	\$1,362,648,801	\$21,266,054	1.56	\$ 8,732,467	41.0	\$ 8,675,353	40.7
Board	1,026,475,111	16,800,578	1.63	7,096,837	42.2	6,962,558	41.4
Non-Board	336,173,690	4,465,476	1.32	1,635,630	36.6	1,712,795	38.4
Foreign Cos.	\$ 585,530,197	\$ 9,710,032	1.65	\$ 3,883,887	39.9	\$ 3,803,173	39.2
Board	556,478,770	9,363,997	1.68	3,706,900	39.5	3,619,471	38.6
Non-Board	29,051,427	346,035	1.19	176,987	51.1	183,702	53.0

Board companies' Coast premiums fell off over \$600,000. Non-board premiums gained \$218,-000, including a mutual. Excluding it there has been a non-board loss of \$300,000. Board companies' percent of Coast premiums, 84.4 against 85.4 in previous year.

Board and non-board companies' average loss ratios (in California and on Coast) were about the same in 1913. In 1912 the non-board averaged 5 points less. The number of non-board companies has increased. Board companies number 83, a loss of 3. Non-Board companies number 40, a gain of 2. Since January 1 two board companies have retired from business and 1 non-board company has become board.

Board Coast premiums in 1910 were \$26,947,708 and non-board, \$3,328,310. The former are now \$80,000 less, the latter are now \$1,000,000 net more, than they were two years ago. The board percent of the whole premium income was then 89.0, and it is now 87.0. We are, for comparison, excluding mutual figures.

AN ARIZONA ADJUSTMENT

AS RELATED BY MONTE GEORGE

BY EDWARD NILES

Reprinted from Coast Review of Twenty Years Ago

At the time of the big fire at Tombstone, I was dealing faro for Bill Johnson in the Palace saloon. He moved most of the things and didn't lose much.

"I've got a thousand insurance," said Bill. "I didn't lose more'n five hundred, but they tell me you always get what you insure for. It's like a lottery; you buy a policy, and if you're burnt out you draw a prize. They say it's a dead square game, and I played her up to the limit to win. Vickers, the agent who sold me the policy, sent to San Francisco for a special adjuster to fix the thing up, so as to be sure and have everything all right."

Three days after the fire the adjuster arrived. His name was William Henry Harrison Benton. He was a nice-looking, smooth-spoken man; not very large. He looked something like Jay Gould. I saw Gould at Hailey two years ago, and he talked and acted a good deal like Benton. Well, Benton stayed around for a week or so, and finally told Bill he was ready to settle, and we three went into one of the poker rooms in Bill's new saloon to talk it over.

"Now, Mr. Johnson," said Benton, "I've figured up the value of your furniture and fixtures that were burned, and I find they amount to \$359.63."

"But I thought I'd get the whole thousand," said Bill.

"Oh, no!" said the adjuster, "because you saved the balance of the stuff. We only pay for what's burned."

"Guess you're right," said Bill.

"Then there's the depreciation to come off."

"What's that?" asked Bill.

"The wear and tear; the difference between old and new. You had the furniture four months, and I'll figure the depreciation down low, say 40 percent; that's only 10 percent a month."

"Isn't that a good deal?" said Bill. "If I'd had it a year, I'd been worse off than nothing."

Benton smiled and replied, "No, that's very reasonable. There's an adjuster named Beard at Denver whom we call 'Old Depreciation,' who'd have made it 60 percent at least."

"Don't send for Beard," said Bill. "Let her go at 40."

"So, taking off the depreciation, that's \$143.75, leaves your actual loss just \$215.88."

Bill looked over the figures, drew a long breath, and said, "That's correct. Will you pay the money here, or send it from San Francisco?"

"By the way," asked the adjuster, "what rate did you pay?"

"A hundred and twenty dollars for the thousand," answered Bill, "and it seemed to me rather steep."

"That was reasonable," said Benton, "very reasonable. Now there's another little proposition."

"Spring 'er," said Bill. (I'll say right here that Johnson was one of the coolest and gamest men I ever met; nothing could startle him.)

"Did you ever read the adjuster's clause?" continued Benton, pointing to some fine blue print on the policy.

"No. What's that?" asked Bill.

"That provides that you shall pay the expenses of the adjustment, because Tombstone is so far away from San Francisco."

"That seems reasonable," said Bill.

"Yes, that's only right," said Benton, "and it makes it easier for the companies. I've made up my bill of expenses, and here it is:

Fare from San Francisco to Tombstone and back . . .	\$115.88
Hotel and other expenses ten days	50.00
Ten days' time, at \$20 a day	200.00
	<hr/>
Total	\$365.88
Less amount of loss	215.88
	<hr/>

Balance due to the company from you, just \$150.00 even."

Bill thought for a minute, then pulled out

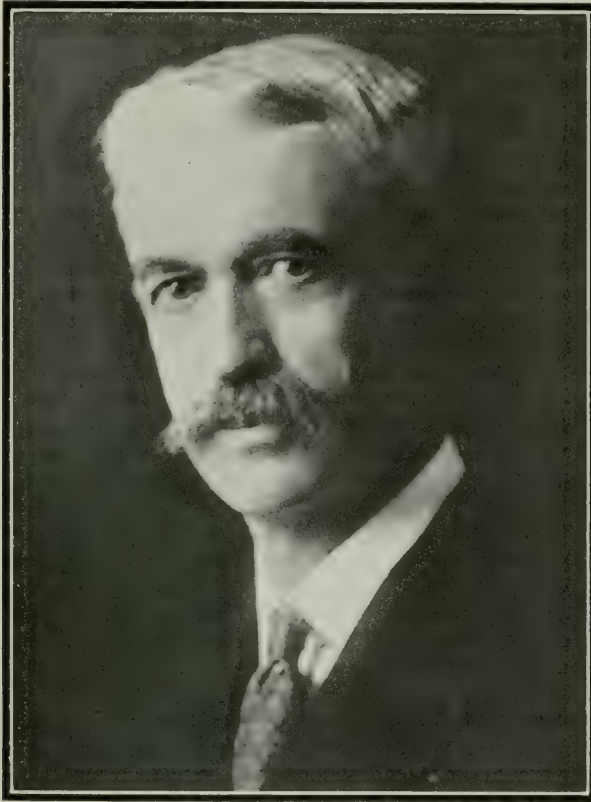
seven twenties and two fives, handed them to Benton, and said. "That seems to be according to the contract, and here's your money. I played to win out, and ought to have copped her; but, look here, Benton, I don't want to say anything to hurt your feelings, but I'm not going to insure any more if that d—d adjuster's clause is in. The percentage against me is too heavy."

Benton laughed, and we all took a drink

at Bill's expense.

Since then Bill and I have talked that case over a hundred times, I suppose, but we always came to the same conclusion that it was a fair, square game, but an unlucky deal.

Bill tried to hire Benton to stay in Tombstone and run his new saloon for him, but couldn't get him to give up insurance. He said it was a surer thing.



EDWARD NILES.

An Extraordinary Personality, a Writer and an Underwriter, a Field and an Office Man, and the Author of Quaint Insurance Stories, Who Died Recently.

Personal.—Edward F. Beddall last week completed his 50th year of continued service with the Royal. He began in London as inspector of agencies. In July, 1873, he became manager of the New York branch.

He is now general attorney for the company for the United States. Mr. Beddall appointed Rolla V. Watt Coast manager for the Royal and Queen to succeed the late E. W. Carpenter.

Life Insurance Solicitors Sold

Reprinted from the Coast Review of 1892

The Banning Herald publishes an amusing, if not altogether truthful, account of the ruse whereby an impecunious physician made a raise at the expense of life insurance solicitors. He had hung out his shingle, but the town was distressingly healthy, and the young medical fledgling did not get his share of the practice. He cudged his brains and bethought himself of a brilliant scheme worthy of a financial genius. To Banning he went, and to the landlady of the chief hotel he made the following proposition:

"If during the whole of my stay here there is some man in the house who comes here expressly to see me and who pays you your highest rates, will you keep me for nothing?"

"Yes," said Mrs. Landlady, "if they come to the town and hotel to see you and would not come otherwise, it's a bargain."

"All right. My name is McGowan; show me to your best room; there will be a victim on tonight's train."

Sure enough, with the local train there arrived a well-dressed gentleman, who inquired for Dr. McGowan, and who treated him with the greatest deference. He stayed four days and hired a livery rig to take the doctor riding each day. He also squandered a small fortune on cigars and beer. The doctor, meantime, had made arrangements with the livery man, the grocery man, etc., whereby those enterprising dealers elevated their prices 50 percent and gave the doctor the benefit of the raise. When this man left another arrived and they followed each other in such quick succession that the doctor's life was one continual round of hilarity mixed with cigars, beer and buggy rides.

When four months had elapsed he called in the landlady and told her that he was now in financial condition to spend a couple of years in building up a practice and would go to Los Angeles.

On the eve of his departure, Mrs. Landlady said:

"Would you mind telling me just how you work it?" "Certainly not. In confidence, mind you. When I left Los Angeles I

caused to be carefully and judiciously circulated a report that my father had written me to take out \$200,000 insurance on my life and had left the selection of the company to me. Those gentlemen who came to see me were all life insurance agents. I had every general agent and manager west of Denver out here, not to speak of several from the East. I worked them very easy, though," continued the doctor thoughtfully. "I let several of them escape with their watches and chains."

State Rate Making

Common sense and better experience will teach us how to get adequate rates in the so-called anti-compact states where severely competitive conditions may prevail, but there is no way, I believe, to transact business permanently at a profit in states where the state makes the rate.

Eventually such laws must be repealed or the state must do the insuring. The state can recoup itself for losses out of the general tax fund; we have no such recourse.

I am informed that in New Zealand, where there are state-made rates and state insurance, the state insurance department is run every year at a loss. In other words, the rates which the state makes are inadequate to pay the losses and expenses, yet the state will not increase those rates because that is the ideal condition in the minds of the insuring public. They are getting their insurance for less than cost, and the people who do not insure, as well as those who do, contribute the deficiency through other forms of taxation. A similar condition, I believe, will prevail in every state which permanently enforces such a statute.

As long as our present political conditions continue, it may be accepted, I think, almost as an axiom that no state rate law can long be maintained under which companies are permitted to make a profit.

As you all know, we had a state rate law in Louisiana a year or two since, which was repealed because it did not immediately result in a large diminution in rates, and that reason was frankly stated as being a perfectly good one for its repeal.—Vice President Bissell of Hartford Fire.



ADJUSTERS AT THE SEATTLE CONFLAGRATION, JUNE, 1839



ADJUSTERS AT THE SPOKANE CONFLAGRATION, AUGUST, 1889

These half-tones are taken from the 1913 Proceedings of the Fire Underwriters' Association of the Pacific

American Fire Business

Some Companies Make an Underwriting Profit and Some Don't

The Continental of New York is always a money maker. Premiums increase yearly, and the ratio of loss to earned premiums is uniformly low. Last year in the Pacific West the Continental wrote \$796,851 premiums, a gain of \$17,000, with less than 33 percent losses incurred.

The People's National is now under what appears to be a safe and sane underwriting management but it is too soon to pass judgment. This year should tell the story. There was a large reinsurance of the company's business in 1911, which enabled it to show a net surplus on January 1, 1912. On January 1, 1913, this net surplus had been maintained, lacking only \$4,000. There was some increase in premiums and the loss ratio was only 76 percent against 147 in the previous year. The expense ratio dropped from 63 to 53. Since organized, the People's National has received and reported \$4,714,850 premiums and paid \$2,666,934 losses. This is a loss ratio of about 57 percent, and probably the loss ratio to earned premiums is not much more. But the expense ratio has been about 50 percent, and the total of losses and expenses is \$4,927,303, or \$212,453 more than the premium income. As some Exchange said, "this elephant ate too much hay." So far, the unhappy stockholders have been feeding the "elephant." Quite a number of the stockholders are its general agents, too. Did they feed it bad hay?

The Commerce of Albany is losing money on the underwriting account.

The Dominion Fire of Toronto has been losing money on the underwriting account.

The Equity Fire of Canada continues to "look like 30 cents." It has been losing money in the underwriting branch.

The Germania Fire of Wheeling, W. Va., went back in 1912, with a big underwriting loss and a corresponding drop in surplus.

The Greenwich incurred a heavy underwriting loss in 1912, likewise a lop in surplus.

The Independence of Pennsylvania—which we understand to be a cut-rater.

The Industrial Fire of Ohio, a new one, is whittling down its surplus in a fierce and jolting way.

Best's Insurance Reports says that the Ins. Co. of State of Penn. made an underwriting loss of \$24,223 last year; that the National Ben Franklin lost \$72,162; that the Nord-Deutsche lost \$18,181; that the North Coast (retired) lost \$4,794; that the Northern of Moscow lost \$49,871; that the North River lost \$23,393; that the Pacific States Fire of Portland, Or., lost \$17,753; that the Reliance of Philadelphia lost \$38,836 and cut \$25,388 off its surplus; that the Sterling Fire of Indianapolis lost \$109,235, equal to about half its premiums, and dropped \$13,453 of its surplus; that the Western of Pittsburg lost \$20,563 and also lost \$7,701 in surplus; that the Williamsburg City lost \$51,511, and the surplus of the two combined companies decreased \$287,403; that the Yorkshire made an underwriting loss of \$63,667 and suffered a \$54,573 decrease in surplus.

Because "it extends indirect fire coverage," the Tennessee insurance commissioner criticises the Etna Accidents' combination automobile policy and has revoked the company's authority to write such contracts.

Marine.—The Columbia of New Jersey has \$400,000 capital and \$326,702 surplus, and is controlled by the Union Marine of London.

Fire.—The Imperial Underwriters Corporation of Vernon, B. C., has \$204,705 assets, of which \$110,475 is paid up capital. This corporation is owned by the Sun of London.

With guarantee of 100 percent annual rental, a rate 45 percent less than the flat rate of the building; and for each 10 percent less guarantee, a 5 percent less rate. These are the rates for rent insurance adopted by the Boston board.

Adjuster.—A stipulation in a policy that no agent may waive any condition therein unless by written endorsement thereon does not apply after a loss, and an adjuster may waive the proof of loss required by the policy.—101 N. E. 734.

The Royal's Home Office Statement

Large Gains in Assets, Surplus and Premium Income

The gross assets of the Royal Insurance Company of Liverpool are now \$104,642,884. The liabilities include \$57,698,490 reserve of the life insurance department, leaving a grand total of \$46,944,394 assets of the fire and marine department. This is a gain of some \$2,312,000 in the year. In the previous year a similar gain was made.

The capital of the Royal is \$2,208,510, exclusive of any debenture shares; the net surplus is \$17,684,610, and the policyholders' surplus, \$19,893,120.

The reinsurance reserve is \$17,511,937, a gain of \$1,287,684. The premium income, which is the largest in the world, is reported as \$23,999,151, a gain of \$1,611,412. The total income, exclusive of the life department, was \$25,435,126. It is evident that the Coast Review's prediction, made some years ago, that the future has in store a fire company with \$50,000,000 income, is a prediction likely to be fulfilled in a few more years. At its present rate of progress the Royal will have a \$50,000,000 income in about twelve years.

The company has had a succession of favorable years, with a yearly profit on the underwriting account. Though with increasing liabilities, corresponding with the increasing business, its favorable loss experience has enabled the Royal to make yearly a handsome increase in its surplus funds.

On the Pacific Coast the Royal writes a large and profitable business yearly, under the management of Rolla V. Watt. The Royal's Pacific department has been a success ever since Mr. Watt assumed charge of it nineteen years ago.

The Queen is also in this department and for the two companies a total of \$1,843,366 premiums was written in 1912, with a very moderate incurred loss ratio.

Manager Watt's assistants are well known in the Coast insurance world. John T. Fogarty is assistant manager; Frederick B. Kellam is branch secretary; and F. M. Gilcrest, H. R. Burke, J. K. Urmston, J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred, J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B. Evans and

C. A. Luhrs are the lieutenants or special agents.

The Royal Insurance building, in which the Pacific department is housed, is one of the handsomest buildings in the West. With its superb finish the time will be long before it shows the effects of age and the elements.

Palache and Wyper Appointed Vice Presidents of the Hartford Fire

From Coast Review Extra

Announcement is made that Whitney Palache and James Wyper, of San Francisco, have each been appointed vice-president of the Hartford Fire Insurance Company.

Whitney Palache is the senior member of the firm of Palache & Hewitt, Coast general agents for the Hartford Fire, and has been connected with the company for more than 20 years.

James Wyper is the Coast manager of the London & Lancashire Fire and the Orient Fire, a position which he has held for the past seven years.

Both these gentlemen are strong men in the business of fire underwriting and they will be missed in this field. They are expected to assume the duties of their new positions in about 60 days.

Panama-Pacific Fair. — Applications for exhibit space have been turned in from all parts of the world and it would be possible at this date to allot all the available exhibit area. Many of these exhibits will involve expenditures of from \$250,000 to \$300,000. The largest manufacturers of the world will be represented. Based upon a review of all departments the comptroller of the Panama-Pacific International Exposition estimates that its initial cost will exceed eighty millions of dollars, exclusive of the intrinsic wealth represented in the exhibits, and the amount represented in the displays will far exceed the cost of construction.

The veteran Insurance Monitor of New York appeals to all veteran insurance men to send it reminiscences for the forthcoming 60th anniversary number.

Sudden Death of Resident Secretary Anderson

At about 8 a. m. Saturday, July 19, the body of John McC. Anderson, resident secretary of the San Francisco office of the North British & Mercantile Ins. Co., was found on the sidewalk in San Francisco. Mr. Anderson had fallen dead while on the way to his office. An autopsy indicated death from heart failure.

Mr. Anderson began his insurance career with the North British & Mercantile under General Agent Tom Grant. Later he went with the Western Assurance as special agent, and after that with the Connecticut Fire. In 1903 he returned to the North British as counterman. In 1908 he was appointed resident secretary of the San Francisco office, which position he held at the time of his death.

Best's Insurance Reports 1913

The fourteenth annual edition of Best's Fire, Marine and Miscellaneous Insurance Reports has issued from the press of Alfred M. Best Co., 100 William street, New York. These reports include among the subscribers companies, managers, general agents and the principal brokers of the country. The book contains nearly 600 pages, each equal to two pages of the Coast Review. Company reports analyze the assets and liabilities, list the bonds and stocks owned and end with a general review giving underwriting results and particulars of the real estate owned. Of the American Union it says \$105,685 of the San Francisco claims scrip has been paid, leaving about \$74,000 yet to be paid. This is in addition to about 50 percent of the claims previously paid in full settlement. This scrip of \$179,000, which is not treated as a liability by the company, was about equal to the assets left after paying 50 cents on the dollar, and was equal to the sum to be realized by liquidation after paying expenses thereof. This American now has new owners and is under the same management as the State of Penn. Its loss ratio was 72.3 percent in 1912.

Information.—The Coast Review is always pleased to give such information as it has in

relation to companies in response to inquiries.

New Disability Policy of the Fidelity & Casualty Company

It is called THE disability policy, and has been in preparation for some months. Managers Clapp & Co. say:

"We patiently worked to embody in this policy, not only every possible new wrinkle, as well as all the old ones, but also to iron out every crease in the phraseology, so that our field representatives would be able to point to any clause of the policy at random and wax eloquent with that as a text. We launched the new policy with the feeling that we had succeeded and the cheers that greeted her when she struck the water confirm this optimism."

Lessor and Lessee

Where a lessor fails to make needed repairs which are slight, the lessee should make them and take their cost out of the rent.

Where a lessee fails to make slight repairs needed, he cannot recover damages resulting from such failure, though the lessor has been properly notified and has failed to make them.—62 So. 137.

Seattle.—Alton L. Wells, agent, is suing the Firemen to recover \$7,600 alleged damages for false arrest, on a charge of which he was acquitted in court.

Sheridan, Ore., lost its business middle on July 19. About 30 buildings were burned, with a loss of perhaps \$200,000. A gasoline stove exploded in a restaurant.

The Equitable Surety of St. Louis has reduced its capital from one million to half a million, the other half going into the surplus.

The Prudential Ins. Co. has completed its plans for an exhibit to occupy a space of 6,000 square feet at the Panama-Pacific Fair.

The chief of police of San Francisco is the son of a former president of a San Francisco fire company that retired some years ago.

"The telephone bell is ringing again."

From the Life Bulletin of the New York State Insurance Department

Albany, N. Y., July 7, 1913.

Part II of the annual report of the New York Insurance Department covering the business of life insurance for 1912 has been issued.

The statistics as compiled show that the assets of the New York and other states companies at the end of 1912 were \$4,173,953,579, an increase over the previous year of \$231,809,222, of this increase \$110,880,453 being in New York state companies. The gross surplus and special funds amounted to \$231,775,398, of which \$86,675,348 was in New York companies.

New York companies issued 456,233 "ordinary" policies in 1912, insuring \$773,642,437 as against 389,628 policies issued in 1911, insuring \$686,677,019. Companies of other states in 1912 issued 441,794 policies, insuring \$942,628,673, while in 1911 they issued 421,834 policies, insuring \$891,169,230. Compared with 1911, it appears that there were 86,565 more policies issued last year and the amount of insurance written increased \$138,425,661. There were 45,502 more policies terminated in 1912 than in 1911, and \$85,707,511 more insurance.

The total number of "ordinary" policies in force on December 31, 1912, was 7,001,913, insuring \$13,527,321,222, a net increase in policies over 1911 of 380,408 and in insurance \$724,003,678. The amount of "industrial" insurance in force was \$3,432,767,469, an increase over the previous year of \$233,669,466, making a total increase in insurance in force for both classes of business of \$957,673,144.

The business in force in the state of New York and transacted therein during the past year by all life insurance companies of this and other states including "industrial" business was as follows: Policies in force 6,469,773, insuring \$2,903,474,508; policies issued 1,009,816, insuring \$423,365,404; an increase in insurance in force of \$180,181,139 over 1911 and an increase in insurance written and paid for of \$31,022,754.

The comparative figures appended are aggregates showing the sources and amount

of the increases and decreases in surplus (unassigned funds) of the companies for 1911 and 1912:

	1911	1912
Gain from loading	\$20,519,845	\$21,786,996
Gain from mortality	35,046,786	38,043,095
Gain from surrenders and lapses	13,020,493	13,684,565
Gain from interest and rents, less amount required to maintain reserve . .	55,456,657	62,444,927
Loss from annuities	300,557	503,864
Loss from investments	971,557	5,897,800
Loss from dividends to policyholders including net increase or decrease in dividend funds apportioned and unapportioned.	106,036,617	102,596,996
Loss from miscellaneous sources	21,649,022	22,888,392
Total gain . . *	4,913,972	4,072,531

*Loss.

The par value of the securities, held on deposit by the Department on December 31, 1912, belonging to the various insurance companies required by law to make such deposits, was \$35,702,210.

The general results of the operations of the life companies for 1912, may be fairly stated as having been eminently satisfactory from every standpoint; the above figures speak most plainly in confirmation of that statement and 1912 may well be marked with a white stone so far as the life insurance business is concerned.

The showing reflects in full measure a continuance of the steady improvement in life insurance conditions that has obtained in the last few years and which from the present outlook bids fair to continue in the future.

The only cloud discoverable on the life insurance horizon is the proposed government tax to be levied on the so-called dividends to policyholders of life insurance com-

panies. The word "dividend" in the general acceptation of the term, used in connection with these payments is a misnomer; they are in no true sense dividends but are almost entirely made up of a return of surplus or unused monies that have been paid into the company as premiums and returned to the assured. A tax on these refunds to to the policyholder in addition to taxing the earnings on which the so-called dividend payments are based would seem inequitable and unjust and especially so in the case of companies that are absolutely on the mutual plan and which were not organized as business ventures for profit. It is to be hoped and it now seems probable that the income tax feature of the tariff bill, now before Congress, will be substantially modified so far as it applies to the taxation of life insurance companies.

Workmen's compensation rates in Massachusetts have been again reduced, following the recent filing of schedules. Ins. Com. Hardison appears to be hostile to the liability companies, or rather, he prefers something more vote-catching though socialistic.

From 1891 to 1913 is quite a long time—22 years—but that was spent as president of the Phoenix of Hartford by De Witt C. Skilton, after previous service with the company as secretary, etc., for nearly a quarter of a century. When he resigned, recently, because of continued ill health, Mr. Skilton had spent 46 years in the service of the Phoenix, from 1867, when he was elected its secretary.

Edward Milligan, for some years vice president and now president of the Phoenix of Hartford, has been with the company since 1888, and was elected secretary in 1896. Insurance men class him as one of the foremost underwriters of the country.

San Diego, Cal., July 9—The physician accused of setting fire to his place in the Leland hotel building and endangering many sleepers, F. M. Madison, committed suicide in jail by hanging.

Largest Cash Capital in the World

The North British & Mercantile Insurance Company of London has the largest cash insurance capital in the world. It is \$12,187,500. The net surplus being \$15,909,915, the policyholders' surplus is \$28,097,415. This great company has for some years led in the amount of policyholders' surplus.

Acknowledged

New York State Life Insurance Report: W. T. Emmet, superintendent. This is the leading compilation of the kind. The 34 reporting companies have \$4,173,953,579 gross assets and 7,001,913 outstanding policies for \$13,527,321,222. In 1903 the surplus to policyholders was over 16 percent of the assets; in 1913 it is under 6 percent. This is an average decline of 1 point every year.

The Argus Insurance Directory of Chicago, 1913-14: by Rollins Publishing Co., Chicago: price \$1.00. This is an expensive book of 166 pages of names and tables and other good furniture. The tables are large as they cover all Illinois, a state as large as England.

State of Washington Ins. Dept. Report: H. O. Fishback, state insurance commissioner.

The Fireman's Fund is one of the insurers of the Morgan art collection. The premium paid the companies amounted to \$90,000.

The business by states tables in the Coast Review previously appeared as extras and also in the Coast Review's Pacific Fire Chart.

The insurance commissioner of Washington announces, in a circular letter, that he will adhere to his recent rulings which were upheld by the attorney-general.

The Outlook of June 28 has a 23-page article on "Gambling Joint or Market Place," an inquiry into the workings of the New York stock exchange.

San Francisco had a safe and sane Fourth, and fire losses were nominal. This is also true of other Coast cities.

CHIPS

—Vale, Or., waived its anti-fireworks law this year.

—Eastern sections of Washington and Oregon report bumper wheat crops.

—Portland.—The Oregon Packing Co. plant here has shut down because of the antics of the I. W. W. anarchists.

—Manager Niebling of the Commercial Union is away on a recuperative vacation, but expects to be "in harness" again in less than a month.

—Philadelphia proposes to have a fire prevention congress this fall, and invitations are general. Chairman Evans writes to Commissioner Hathaway that the only response from California is from the chief of the Los Angeles fire department. The Fire Underwriters Inspection Bureau of San Francisco will be represented by Manager Porter, who will be East in October. The convention will deal with questions of the control and reduction of the appalling fire waste of this country. Powell Evans is chairman of the Fire Prevention Commission. Every reader of the Coast Review is invited to attend the Philadelphia fire prevention congress.

—Field Men's Notes.—F. C. Staniford of the Norwich Union now makes his headquarters in Los Angeles. N. W. Clayton Jr. of the London & Lancashire now makes his headquarters in Salt Lake City. Leo. L. Gibson represents Curtis & Gordon at Los Angeles. Alex. MacDougald represents the Cobb-Drennan Co. at Los Angeles. E. V. Culver has been added to the Aetna staff at San Francisco and J. A. Gallagher at Los Angeles; and also F. H. Rhoads at Seattle. The Hanford and de Veuve general agency at Seattle now has at Portland D. T. Child and at San Francisco C. de Veuve in addition to the field representatives previously reported. For the Atlas, R. V. Miller now has his headquarters in Seattle. The Scottish Union & National is now represented for Montana and Idaho by H. C. Edmundson, with headquarters in Spokane. For Colorado, Wyoming, New Mexico and Utah John M. Hopkins is state agent and J. L. Reams is special agent.

—The Connecticut Mutual Life reports gains in new business this year.

—The San Francisco Life Ins. Co. has lit on a perfect lighter, which is handed out gladly to appreciative friends.

—The Pacific Mutual Life will probably have \$7,000,000 income this year, and a total of \$30,000,000 assets.

—San Francisco really has a "wet" climate, which may be the reason the doctors recommend some of their patients to remove to a "dry" state.

—June beat May, and May doesn't resent it either. It was the Manhattan's strongest June since 1905. It was Lovejoy month, and produced \$1,028,476 new business.

—One not in fact the agent of an insurance company cannot make himself such by his own act, so as to bind the company.—*Monast v. Manhattan Life Ins. Co.*, 86 A. 728.

—The expenses of management of the New World Life of Spokane are double the amount received in premiums. The \$8,262 reserve seems small for a company with over \$1,000,000 outstanding insurance.

—An Alameda county, Cal., electric car ran into an automobile, lifted it upon the pilot and carried machine and passengers some distance. The latter were uninjured but the machine was wrecked. So says a daily print.

—Accident of Travel.—A rear-end collision of electric trains near Los Angeles, July 13, caused the death of 13 persons, the serious injury of 25 others, some of whom will die. One train stood "stalled" without a rear light. Damage suits will follow.

—Three more life associations are supporting the movement to secure the 1915 convention of the National Association of Life Underwriters in San Francisco. The associations referred to are the Topeka Association of Life Underwriters, the Kansas City (Mo.) Assn. of Life Underwriters, and the Iowa Life Underwriters Assn. These, with the Portland and the Nebraska associations, bring the states of Oregon, Kansas, Iowa, Nebraska and Missouri behind the movement. The Life Underwriters Association of Los Angeles has also gone on record as favoring San Francisco for the meeting.

—Poor old Missouri had to be shown.

—U. S. govt. 2 percent bonds sold last week at 98 plus.

—A marine insurance decision at some length in our Legal Digest.

—Stone is trying to break into the fire game again with a new company.

—We receive inquiries from all parts of the world. The latest came from Riga, Russia.

—The "leakage" in the Spokane water supply has been repaired. It was a break in a cement pipe.

—If you have a claim against the American Union Fire, swear to it and file it with the receiver on reasonably short order.

—The General Accident's impairment of the \$250,000 deposit capital was \$22,275. The home office has made it good and a surplus created.

—The United States Review has discovered Clarence L. Miller, a handsome, widely-known and popular life insurance executive of San Francisco.

—Redding, Cal., has a good average rainfall, but the summers are hot, dry and long. It is about the last place in the state a good underwriter would select for rate-slashing.

—A young San Francisco insurance man, who has lately been writing accident insurance, paid the companies the premiums with bank checks returned stamped "no funds." This irresponsible fellow may get his name in the papers soon.

—Somebody should show California's governor page 285 of the June Coast Review, which shows liability insurance to have a present outgo of 99 percent of the premiums. In a message the governor spoke of "the greedy liability insurance men."

—Two Fire Boats as Usual.—Notwithstanding the refusal of the governor to sign an appropriation for half the expenses of the two harbor front fire boats of San Francisco, the board of supervisors refused to direct the fire commissioners to lay off one of the boats. The governor also refused to sign a bill to pay for street work in front of state property in San Francisco.

—Money is holding its breath because of the failures of the Kuhns banks at Pittsburg. Banks are like neighborly bricks on end.

—On page 84 of our advertising section we print a specimen page of the Coast Review 1913-14 chart, giving the Royal home office fire figures.

—Bellboy—"Guy in 13 wants to know where the fire escapes are!"

Clerk—"Well, show him—he's paid in advance."—Expost.

—The Home Underwriters agencies are being planted carefully and judiciously, and with a view to making them as little conflicting and frictional as possible.

—Tracy, Cal., July 9—The Arlington hotel and theater block burned. Fire started in a livery stable. There was a fire in this block two weeks ago. Loss probably \$50,000, including Craig bldg. and postoffice, etc.

—On page 319 we print a table not printed in any other insurance journal in the world. It is a table of the percentages of dividends to stockholders' funds. The latter are the capital, the net surplus and one-third of the reinsurance reserve.

—Fire.—Striking line-men dynamited power line towers on San Francisco city-county line, and the short-circuiting caused a fire in the Pacific Bone and Fertilizer Co. plant. The destruction of this plant will cost the insurers perhaps \$150,000. The loss occurred on July 9.

—A spectacular forest fire on the side of Mt. Tamalpais, a dozen miles opposite San Francisco, occurred July 5 and burned for a week. At night the mountain peak, with its smoke and red reflection, resembled Mt. Vesuvius in eruption. A cigarette stub and a fool are said to have been the combined cause of a fire which destroyed trees covering several thousand acres and long threatened villages below. Field and forest fires elsewhere in dry and sun-baked sections of California are reported, but up to now the insurance losses from these fires are light.

—The Balkan states appear to be the Mexico of Europe.

—The Royal will probably take over the Horse, Carriage and General of London, which has a premium income of nearly \$350,000.

—Personal.—James C. Johnston, general agent for the North America and the Alliance, has returned from a business visit to the Hawaiian Islands.

—Manager Clarence Briggs of the Standard Accident is visiting the East. He reports an increased business in all the states in his field for the standard.

—Personal.—C. A. Henry is sampling the climate of various Eastern cities. The Coast Review hopes he won't bring any of the samples back home with him.

—Personal.—Assistant General Agent Frank E. Stone of the Wayman and Henry general agency went up into the high hills and cast out all the remaining germs of pneumonia. Now for a week back he has been cleaning up his desk every day.

—Fires.—As expected, fires are increasing in number in California. Dry weather and poor crops may increase the fire losses. Old Hangtown (Placerville) was "visited" by the "fire demon" last week. At Marysville the Kelly Brothers' hay-filled warehouse and brick livery stable burned with \$70,000 loss. Sawmill at Wildwood, Trinity county, burned.

—A copy of the joint report of the ins. depts. of Oregon, California, Utah, Idaho and Washington of the examination of the Northwestern Mutual Fire Association is at hand. The officers are paid salaries and a contingent of the underwriting profit. President Martin was paid \$10,554.68 last year, and the secretary, \$4,610.93. This mutual writes in 40 states (and in Canada) in which it is not admitted. Commissioner Done of Utah censures it for these unauthorized operations. Commissioner Ferguson of Oregon and Commissioner Fishback of Washington do likewise. The association's annual statement was found to be substantially correct. Admitted assets, \$377,302; surplus, \$131,538.

—W. S. Berdan, who has been general agent of the Pacific department of the North British & Mercantile, has been appointed deputy assistant manager of the United States branch of the company.

—Seattle.—The potlach of '13 was a great success, to say naught of the I. W. W. side-show. The visiting locals saw the exercises bidding farewell to the Tye of the Tillicums. The press, perhaps because of the potlatch, rather ignored the annual assembly of the state association of locals.

—Phoenix New Vice President.—Geo. M. Lovejoy, of Lovejoy & Spear of the Western department of the Phoenix of Hartford, has been elected vice president of the company. he has been with the Phoenix since 1899, representing it for the Western States with headquarters in Cincinnati. His insurance experience covers thirty years.

—The lack of insurance protection is beginning to worry Missourians who have property. Business and business credit are suffering already, although the retired companies have not canceled. Everybody in this politician-ridden state is extremely careful with fire. California had a narrow escape from similar legislative folly.

—The Norwich Union's new offices at 332 Pine street are very "scrumptious" indeed, with room and convenience and some classy new furniture, and a modern construction generally. However, we do not credit the statement that the building-owners have equipped every wash-basin with perfume taps, a toothbrush and a dentifrice faucet.

—Field Men's Notes.—General Agent Tyson has added Robt. R. Weber to his San Francisco staff, and Walter F. Higbee at Tacoma. L. D. Griffin is with the Fire Association at Denver. F. C. Cusheon is not now with Manager Avery's department. The Germania Fire's field force is: Portland, Fred S. Penfield; Spokane, P. L. Welte; San Francisco, Z. M. Boyer. At Portland the Home of New York is represented by B. L. Barry also, and at Spokane by Vernon B. McDowell; and at San Francisco by E. A. Sheahan and G. W. Madison, in addition to the older specials.

—Life.—The first half of '13 shows an increase of 84 percent over the like time in '12, in the new business of the San Francisco Life Ins. Co. A total of \$2,466,000 for six months is very creditable indeed.

—Europe.—F. R. Ziel, a San Francisco broker, will spend the next two years in France and Germany, where the government favors simplified spelling. Mr. Z. was formerly Coast agent for the Helvetia Swiss.

—Brokers.—The International Bureau of Insurance in Paris, decided not to hold a congress of insurance brokers in 1915, but to leave them free to attend the Insurance Congress in San Francisco in 1915. This congress becomes more of a reality every day. The European insurance world speaks through the bureau above.

—The ordinary business man is a better—that is to say, a more experienced and practical advertiser than an insurance company. Take, for example, the advertisement of the leading typewriter, the Remington, on page 73. Read it and see how cleverly, after arresting your attention, it holds your interest. It tells everything you ought to know and everything the advertiser wants you to know.

—The new Oregon law, which among several things prohibits advertising a fire sale unless there has been an actual fire, caused the arrest at Eugene of Stanley Thorne, jeweler, who advertised an auction sale of a "jewelry stock worth \$8,500," where his sworn statement of value to the county assessor was only \$550. This Thorne pleaded guilty and paid a fine for making a false statement in an advertisement. What insurance does he carry?

—Washington.—Rider forms must conform to standards. Companies must observe the law and inquire everywhere and at all times and find out after the fire is out whether or not the taxes have been paid on the burned property before paying the fire loss claim of the tax-dodging policyholder. This freak law makes the companies liable for such unpaid taxes, and makes the adjuster do the work of the lazy tax collector. The lawmakers forgot to charge the life and accident companies with the collection of poll-taxes.

—A Philadelphia fire insurance man is sick, because he read a safe and sane insurance editorial in a local daily paper.

—Personal.—J. H. Ankele of San Francisco has returned from the hospital, where he underwent an operation for phlebitis.

—The treasurer of the California Ins. Co., San Francisco, Geo. Lingard Payne, lost his son, Geo. L. Payne Jr., by drowning, July 6.

—Stockton, Cal.—Fire in Totten & Brandt planing mill. Fierce fire. Water pumped from slough channel. Railway engines aided. Loss \$100,000.

—Oakland, Cal.—The second fire in six months occurred at 1952 East Thirteenth st., July 12, at the home of Mrs. Josephine Gross, tailoress. Started in closet during absence of family.

—A New Jersey court has ruled that if the insured does not open the registered envelope containing a notice of cancellation, such notice is not sufficient. The plaintiff had laid the letter aside and did not open it until after the fire.

—Agents as well as property-owners should carefully consider the solvency and management of other-state companies doing business in Missouri under present laws and legally-inadequate rates, such as the Standard of Connecticut and the Granite State of New Hampshire. Such companies are not only disloyal and untrustworthy but they are playing with dynamite.

—Inspections.—The cost in towns and cities of inspecting risks of \$4,000 or under should not exceed 50 cents each. Much of the work could be done by an expert underwriter at a cost of 25 cents each risk. The expert inspector would not fill out a schedule of household goods or make plans or specifications of a building to be passed on by a desk man; he would report his estimated values, and whether he liked the risk or not, and his verdict to carry would be the law of the office. If he decided to reduce, or to cancel, the inspector would do so there and then, and would not report "agent ordered to cancel," or "agent ordered to reduce," or to "reduce on renewal."—Fireman's Fund Record.

The Coast Review

TWELVE YEARS CALIFORNIA FIRE BUSINESS

Year	Amount Written	Premium Rate	Premiums Received	Losses Paid	Ratio Losses
1912	\$1,043,436,536	\$1.50	\$ 16,151,639	\$ 5,456,006	33.8
1911	1,009,967,944	1.50	16,048,108	4,508,843	28.1
1910	948,387,993	1.60	15,874,207	5,689,293	35.8
1909	851,331,595	1.70	15,104,194	5,757,915	38.1
1908	722,430,710	2.00	14,506,144	5,228,303	36.4
1907	767,000,147	2.10	16,571,293	6,626,599	40.0
1906	666,676,445	1.90	13,248,323	150,372,480	1,135.1
1905	658,054,793	1.50	10,283,242	3,871,404	37.7
1904	680,910,571	1.40	10,163,440	3,836,126	37.7
1903	524,551,603	1.50	8,292,803	4,360,921	52.5
1902	482,908,036	1.50	7,360,222	2,686,087	37.6
1901	530,614,567	1.40	7,669,882	2,394,541	21.3
Totals	\$8,886,270,940	1.70	\$151,273,497	\$200,788,518	132.9
Including companies retired in 1906				20,000,000	151.0

TWELVE YEARS PACIFIC COAST FIRE BUSINESS

Year	Amount Written	Premium Rate	Premiums Received	Losses Paid	Ratio Losses
1912	\$ 1,910,331,363	\$1.50	\$ 30,371,298	\$ 12,120,615	40.0
1911	1,861,771,707	1.60	31,361,119	11,483,076	36.6
1910	1,745,872,577	1.70	30,276,018	12,845,432	42.1
1909	1,599,809,267	1.80	28,816,773	11,127,480	38.6
1908	1,377,740,255	1.90	27,486,000	10,368,701	37.7
1907	1,337,358,881	2.10	28,407,313	10,230,049	36.0
1906	1,131,986,343	2.10	23,840,748	153,983,271	645.9
1905	1,156,701,200	1.70	20,738,170	8,724,351	42.1
1904	1,161,871,416	1.70	20,195,418	7,831,527	38.8
1903	954,622,620	1.80	17,536,695	9,166,954	52.2
1902	906,124,776	1.70	15,766,631	6,135,183	38.9
1901	903,310,160	1.60	14,995,504	5,292,357	35.3
Totals	\$16,047,500,565	1.80	\$289,791,687	\$259,308,996	89.7
Including companies retired in 1906				20,000,000	96.4

John M. Besse, the Hartford's agent at King City, Cal., has represented the company for nearly forty years, and twenty-four of them at his present home. He is in his 83d year, a true Californian but loyal to his birth-state Maine. He is a Pioneer because he came here to mine in '49—or if he didn't he tried to, and landed in San Francisco May 6, 1850, only to find the city in ashes. He lived in Santa Cruz and Watsonville.

We call the large majority of human lives obscure. Presumptuous that we are! How know we what lives a single thought retained from the dust of nameless graves may have lighted to renown!—Bulwer Lytton.

—A sure cure for the grouch is the smile. When you are angry, smile; when you are "sore," smile; smile, smile, though a villain still.

FINANCE

San Francisco is able to "sell" its 3½ and 4½ percent bonds in payment to city contractors whose bids are high enough to cover losses when they sell to net 6 percent. Brokers therefore find themselves unable to sell the municipal 5 percents at par at this time, but the politicians propose to issue \$4,000,000 more bonds 5s for more municipal railways which will not pay.

The three coast-facing states had 128 more failures and nearly \$1,000,000 liabilities than for the first half of 1912. California makes the worst showing.

The selling rate of Western States Life has fallen to \$8; original cost \$20.

Fireman's Fund "asked" is now \$240.

Pacific Coast Casualty stock is \$115 "asked."

Business failures continue on the increase throughout the country.

Write to The Old Coast Review.

GENERAL

The home office employees of the Pacific Mutual took their summer outing this year on Mt. Lowe, up in the clouds, specially painted by Artist Brown, at an elevation of 5,280 feet.

A London merchant has been sent to prison for five years "for setting fire to a warehouse with intent to injure."

Hot weather, drouth and grasshoppers are increasing fire losses in the Dakotas, Nebraska, Kansas, Missouri and Oklahoma.

The Pennsylvania legislature has passed a bill permitting the organization of insurance associations on the Lloyds' plan to include all lines except personal accident and health, and liability and workmen's compensation.

American Surety Co. agents recently counted the cash in the treasury of San Francisco — bonded by this leading surety company — and found 4 cents too much — a total of \$6,743,267.32.

Pacific Mutual For Pacific Coast Agents

*The Best Opportunities for High Class Field Men
in a Company with a Clean Past and a Great Future*

CALIFORNIA AGENCIES:

LIFE DEPARTMENT

JOHN NEWTON RUSSELL, Jr., Manager
517 West Sixth St., Los Angeles

KILGARIF & BEAVER, Inc., Managers
5th floor, Shreve Bldg., San Francisco

WHITTINGTON & COLLINS, Gen'l Agents
1010 Van Nuys Bldg., Los Angeles

ACCIDENT DEPARTMENT

THE McCUISTION CO., Gen'l Agents
414 Story Bldg.,
Los Angeles

F. A. STEARNS, Manager
5th floor, Shreve Bldg.,
San Francisco



Organized 1868

GENERAL INSURANCE NOTES

Freak Bills

In Oklahoma a bill was presented providing that one-half of the annual tax of 2 percent on all premiums collected by all kinds of foreign insurance companies should be paid to firemen's relief and pension funds in the different municipalities, towns and villages of the state. The bill required insurance companies to make expensive detailed reports to the insurance commissioner segregating the annual amount of payments collected from policyholders in each of the several cities, towns and villages in the state, and imposed other onerous burdens. The measure was not enacted into law. In another Southwestern state duplicate bills were introduced in the House and Senate, providing that every corporation doing business in the state should register with the state auditor all interest bearing bonds owned by them and pay thereon a tax of 1 percent. The twenty-seven life insurance companies doing business in that state hold in trust for policyholders real estate mortgage loans, railroad and other bonds amounting to \$2,081,000,000. Therefore, under this proposed legislation they would have been compelled to pay a tax of \$20,810,000 as the price of continuing to do business in that state.

Sample Auto Headlines

Family of 6 Killed When Suburban Electric Car Hits Automobile—Woman Leaps from Speeding Machine and Is Killed—Two Motor Cyclists Killed at Death's Curve—Killed Beneath His Own Racing Car.

Crushed to Death When Car Turns Turtle—Skidding of Auto Wipes Out Family of Five—Three Auto Men Killed at Races—Auto Runs Amuck on Grade and Twelve Parading Children Are Hurt and One Boy Killed—Run Down by Boy Autoists.

Family of 6 Wiped Out When Free Engine Hits Auto Car—An Attorney Hurt in Auto Accident Finds Himself 3 Inches Shorter When He Leaves Hospital—Tire Bursts and Girl is Killed.

Life Insurance Notes

The Continental Life & Ins. is paying its first dividends, at about 16 percent of the annual premiums.

The Pacific Mutual is not writing group insurance as stated in the press.

The National of Chicago is now represented by Thomas H. Harris at San Francisco. He has a Harrising way.

Utah, California and New Mexico are making a perfunctory examination of the California State and the Western states companies.

The Rational Life is the sign of a new company in Denver. Queer name for an irrational notion.

August 20 at St. Paul will see the American Life Convention.

Southern life companies are invited to foregather in Washington and combine in one magnificent whole. (hole?) J. J. Kaplan delivers the invitation.

The Metropolitan Life has taken over the 150,000 policyholders and insurance of the Union Life of Toronto.

The San Francisco building of the Metropolitan Life is to be greatly enlarged.

Accident Insurance Notes

In Japan a man lost a leg by a street-car accident. He is suing the company for \$100 annuity, a new artificial leg every three years, a rent-free cottage, and a rickshaw and two salary-paid pullers.

Assistant Manager Fabj of the Liverpool & London & Globe expects to beat his chief at golf as soon as the accident company pays his claim. Meantime he is a HAND-some man indeed.

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1913) . . . \$9,994,450.00

NET SURPLUS, " . . . 3,961,146.00

E. F. BEDDALL
President

N. S. BARTOW
Secretary

GEO. W. BURCHELL
Vice-President

Gross Assets ^{JAN. 1} 1913 \$104,642,884

Exclusively Fire Assets 46,944,394

Net Surplus - - 17,684,610


Losses Paid - - - 247,700,319

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager
LIVERPOOL, ENGLAND



DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta
San Francisco, Montreal.  Agencies in all principal Cities and Towns

ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING, SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

The Illinois legislature has enacted the red gasoline can law, making it a misdemeanor, punishable by fine, for any retail dealer to sell gasoline to any person unless it is placed in a red receptacle, labeled "Gasoline," in letters of not less than a half-inch high. The red can law is intended to restrict the numerous accidents which have resulted from mistaking gasoline for kerosene and using it in ways which are possible with kerosene but very dangerous with gasoline.

In order to protect the valuable records of the Government from danger by fire, Congress has made an appropriation for the installation of a modern system of auxiliary fire protection for three of the largest buildings occupied by the department of the interior in the city of Washington. A committee has been appointed to investigate the relative merits of systems adaptable to the buildings of the department and to prepare plans and

specifications. All communications regarding the subject should be addressed to the chief clerk of the interior department, Washington, D. C.

The Fireman's Fund has received its Manitoba license. This is one of the most prosperous of Canadian provinces.

Denver.—H. Gibberson of the late Imperial is now assistant manager of the Lamey general agency.

Stockton, Cal., is convinced that it shelters a firebug, there being six or seven fires in three or four days. On the night of July 16 fires were started in the Mealfalfa plant, Wilson planing mill and Stockton Woolen factory, and in two freight cars, with saturated waste.

The Western department of the Phoenix is to be moved from Cincinnati to the home office in a few months. Joint Manager Spear, who has been with the company for fifty years, will also go to the home office and take with him the most of the office force.

Fire and Automobile Insurance

American of Newark

Chartered in 1846

Capital Stock	-	\$1,000,000.00
Liabilities	-	5,431,072.05
Special Reserve Fund	-	300,000.00
Net Surplus	-	<u>3,135,102.52</u>
Total Assets	-	\$9,866,174.57

P. L. HOADLEY, Pres't.

C. W. BAILEY, Sec'y.

Pacific Department, San Francisco, California

GEORGE O. HOADLEY, Manager

THOS. H. WILLIAMS, Asst. Mgr.

Licensed by the State of California Insurance Department.

Property Underwriters Association

Of San Francisco, Cal.

AUTOMOBILE INSURANCE

Complete Coverage

FIRE INSURANCE

MOTOR CYCLE INSURANCE

C. J. STOVEL, Manager and Attorney

Stovel Bldg., San Francisco
Telephone Kearney 2568

Branch Office: No. 207 I. W. VAN NUYS BLDG., LOS ANGELES

SURETY

President F. W. Lafrents, of the American Surety Company of New York, has just effected an arrangement under which his company has taken over, by way of reinsurance, practically the entire fidelity and surety business of the American Surety & Casualty Company of Houston, Texas. The latter company has decided to discontinue its fidelity and surety underwriting. Richard Deming, vice president of the American Surety Company, who had charge of the work of liquidating the Peoples Surety Company for the American, went to Houston and arranged for the speedy taking over of the business of the American Surety & Casualty Company.

The Federal Surety will probably go into a receivership, and may not be allowed to liquidate.

The Southern Surety Co. is being searchingly examined.

FIRE

Bakersfield, Stockton, Taft and McKittrick, Cal., are alarmed by incendiary fires.

It is among the possibilities that the various profitable states many refuse to license companies which persist in doing business in states which impose losing rates. It is urged that such

companies (like the Standard of Connecticut) can not do justice to policyholders in profitable states, because they regularly lose money in the legally unprofitable states.

Jerome Downing, who organized the Philadelphia Underwriters and who for 50 years represented the Ins. Co. of North America with a territory comprising 3,000 agents, is dead, in his 86th year.

The Ontario Fire will gobble the Western Union Fire of Vancouver, B. C.

MARINE

Marine Loss.—Alert Bay, B. C., June 29.—Alaska S. S. Co. s. s. Dolphin wrecked near here this morning. The 153 passengers saved.

Marine Loss.—S. S. Casco, on rocks off San Simeon, Cal., is an abandoned wreck. Ran ashore in a dense fog.

Marine—Schr. J. H. Lunsmann is on a sandspit in San Francisco bay, where she was rammed and sunk in the early morning of July 12, by the outgoing str. Francis J. Leggitt. The schr. was at anchor in the bay and the crew were asleep. Cargo of 1,767 tons coal aboard, belonging to "the coal trust." The bay is shallower here by the foot of Hyde street dumps.



Main Offices
56 Cedar Street

ORGANIZED
APRIL 13th, 1853

THE HOME Insurance Company NEW YORK

ELBRIDGE G. SNOW,
President

The completion of SIXTY YEARS finds THE HOME in the premier position among the Insurance Companies of the world not only in respect of FIRE ASSETS and SURPLUS to POLICY-HOLDERS—but with an unexcelled record for fair dealing in every emergency as well as in ordinary routine—with an unsurpassed equipment, and with the ability as well as the readiness to serve the public, its agents and brokers.

Principal Court Rulings in the Past Twelve Months

Insurer is not liable for explosion caused by ignition of a match. 4

Appraisers of a loss need not view the property together. 278

Policy provisions do not apply to a mortgagee as they do to the owner. 315

Authority of an agent to cancel does not necessarily follow from his authority to procure it. 5

The word "additions" does not necessarily mean something attached to the building. 109

A husband, having a freehold estate in the property of his wife and the right to control it, has insurable interest therein. 56

There is a refusal to pay when the insurer does not offer to pay a sum approximating the loss sustained. 552

Where insured breaches a policy warranty so as to make it void he cannot recover any part of the premium paid. 175

Damaged and undamaged goods must be separated to such an extent that insurer can estimate the loss. 176

A building is wholly destroyed where the salvage can not be used in reconstruction without incurring a greater expense than if it were not so used. 5

Where parties intended policy should be valid and subsisting, manual delivery of a policy is not essential to make it binding on the insurer. 107

A policy is canceled where insured requests a cancellation and communicates the request to insurer, and no action on the part of the insurer is required. 107

No action can be maintained on a policy, where the property destroyed was not in the location described. Insured's remedy is to ask for a reformation. 56

Transfer of goods for notes, with the proviso that title should not pass until the notes were paid, was a change in interest, title or possession, and invalidated the insurance. 109

Lessee who erects a building on the leased premises, said building to revert to the lessor at the end of the lease, may recover the value of his interest in the building but not the value of the building. 55

Where notice of cancellation was mailed on July 15 and received on July 17, stating that cancellation would be made on July 20, there was not five days notice. 317

Mailing a notice of cancellation, and the return premium, in a letter properly stamped and addressed, is sufficient to effect a cancellation; where the insured is a foreign corporation. 174

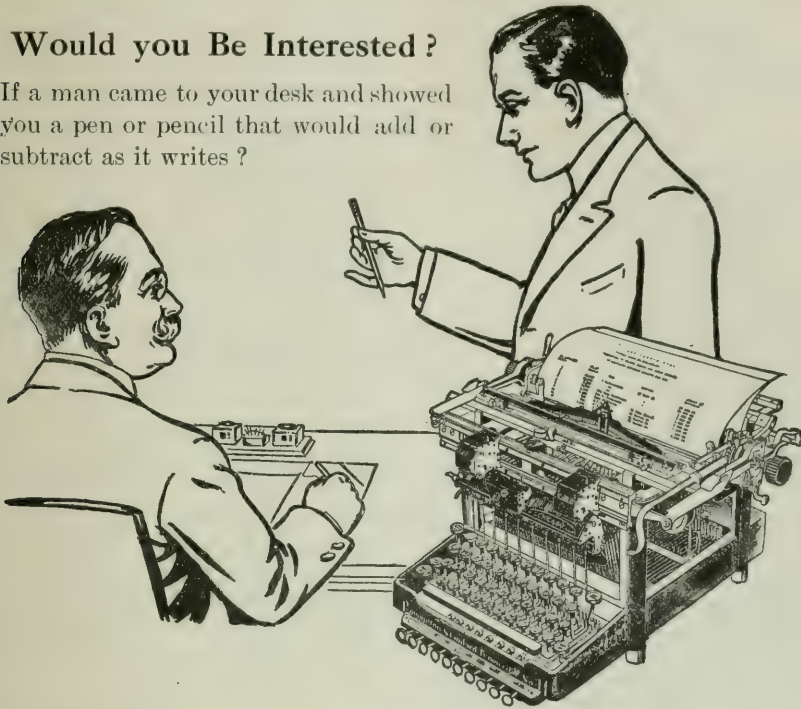
The mere use of gasoline in a torch for burning off old paint will not prevent a jury from returning a verdict for the insured, under a policy prohibiting the use of gasoline without consent of the insurer. 174

Policy provision against the working of mechanics in altering or repairing without permission of the insurer does not apply to repairs necessary for the proper care and preservation of the property. 174

The Coast Review's **PACIFIC FIRE CHART 1913** is the **Only One** which contains a summary of the Court Insurance Decisions of the Previous 12 Months. It is also the only Chart printing the Reinsurance Reserve in a Column next to the Premium Column.
Price 25 cents.

Would you Be Interested ?

If a man came to your desk and showed you a pen or pencil that would add or subtract as it writes ?



Of course you would; anybody would !

We have no such pen or pencil, but we have something better. We have a typewriter which does all this, and you know that the typewriter is three times as fast as any pen or pencil. This typewriter is the

REMINGTON

Adding and Subtracting TYPEWRITER

(Wahl Adding Mechanism)

This machine adds or subtracts and writes; not only that but it adds or subtracts *when it writes*. Both operations are one;

You need this machine in your work; every man needs it who has billing to do, or any writing and adding to do on the same page. It saves time, saves labor, detects errors, prevents errors, gives you a mechanical insurance of absolute accuracy. We stand ready to give this machine a test on *your work*: a test which will convince you that you need it.

Remington Typewriter Company (Incorporated)

276 Bush Street, San Francisco, Cal.

Fire at Napa, Cal.—Fire started in the oil room of the Young Hardware Co. store, July 11, and extended to the Frank Noyes Lumber Co. yard. Loss \$75,000. Quite the biggest loss in many years in Napa City.

Jays are scarce now, the Esperantos

having absorbed many. We refer to the letter "j," which abounds as in this sample of the tongue artificial: "Nur de kelkaj dekoj da jaroj, la fundamentoj de l'analitiko faragis tiel firmaj, kiel tiuj de la pli elementaj partoj de l'matematiko."

LIFE

The Amicable of Waco has a way which persuades D. J. L. Davis of the U. C. Life to be its medical director.

The Progressive National, insuring sub-standard and negro risks, will change its name.

Among the death claims recently paid by the Mutual Life Ins. Co. of New York are these:

Keatings, B. C.—Samuel L. Long	\$ 5,000
San Francisco—Max Blumenthal	5,009
San Francisco—Wm. Singer	5,426
San Francisco—Chas. J. Lindgren	5,000
San Francisco—Fred C. Siebe	5,729
Stockton, Cal.—Henry E. Adams	6,256
Sierra Madre, Cal.—Wm. Wallace	5,479
Oakland, Cal.—Wm. S. Goodfellow	10,000
St. Helena, Cal.—Wm. A. Elgin	5,001
Visalia, Cal.—Lewis M. Howell	5,054
Denver, Colo.—Edwin Pierson	5,000
Denver, Colo.—Alex. Fraser	5,020
Miles City, Mont.—Pierre Wibaux	25,000
Portland, Ore.—James Stiel	10,088
Lower Cove, Ore.—Harvey Dahlstrom	5,022
Spokane, Wash.—Henry Lugate	12,899
Seattle, Wash.—Dan H. Gilman	10,000
Cheyenne, Wyo.—Edward B. Rawls	10,000
Cranford, N. J.—J. Berre King	75,000

This company will soon have paid a half billion dollars death claims.

The republic of Switzerland has endorsed the disability contract in life insurance. The Coast Review was the first insurance journal to endorse it, many years ago.

The Prudential is a leader in Oregon, Washington and Colorado.

FIRE

The annual meeting of the Western Union will be held Sept. 17 and 18 at the Hotel Champlain on Lake Champlain. The location was changed from the Marlborough-Blenheim at Atlantic City because it was unable to accommodate the convention at the regular time, the vote favoring the change to Lake Champlain at the regular date instead of postponing the meeting at Atlantic City for a week.

FIRE

An Oakland, Cal., local agent, Franklin K. Mott, is charged by a director of a land company with having entered into a conspiracy to sell the assets of the corporation much below their market value for his own profit. This accusation was made in court. Mott, who is also mayor of the city, says there is no merit in the suit, and that it is prompted by spite.

The Hillsboro, Cal., automobile fire engine was wrecked on the road while responding to a fire alarm. The machine ran into a broke-down auto.

The Rossia reports 49,040,220 roubles premium receipts, which is a gain. The accumulated funds are 94,607,266 roubles. The capital is 4,000,000 roubles, an increase of 1,000,000 roubles.

It is said that the burning of Mt. Tamalpais slopes in California has already affected the water supplies of the town at its foot.

LIABILITY

The constitutionality of the state of Washington compensation law has been upheld by the Federal court, sitting at Tacoma. The court held that the law does not violate the constitution of the United States and sustained the Washington supreme court ruling that the state constitution also was not violated.

The Standard Accident is reported to have ceased writing liability insurance for those outside the workmen's compensation law of Wisconsin. This class of business has also been found by other companies to be very undesirable, as all good risks are specially rated in the state manual for workmen's compensation.

CASUALTY

In the past twenty years in this country there have been 600 cases of death or blindness caused by drinking wood alcohol.

Fire losses in the city of Chicago are running at the rate of over \$8,000,000 a year. For the first five months of the present year the total is \$3,481,020 which is \$400,000 less than for the cor-

responding months in 1912. Even with this reduction, it is evident that 1913 will also be an unprofitable year in Chicago unless the burning rate is greatly reduced in the summer and fall.

FIRE

AUTOMOBILE

NIAGARA FIRE Insurance Company

Assets, - \$6,981,389.16 Surplus to Policyholders, - \$3,664,392.31

DETROIT FIRE & MARINE Insurance Company

Assets, - \$2,194,259.14 Surplus to Policyholders, - \$1,549,532.75

NIAGARA - DETROIT UNDERWRITERS

Assets, - \$10,661,489.00 Surplus to Policyholders, - \$5,966,544.00

EDWIN PARRISH, Manager

Pacific Coast Department 334 Pine St., - San Francisco

THE
Standard Accident

Insurance Company

Of Detroit, Mich.

LEM W. BOWEN, President J. S. HEATON, Secy.

Cash Capital, \$ 500,000

Gross Assets, - 4,377,439

Claims Paid, - 16,500,000

Writes Accident and Sickness Insurance, Accident Policies Provide for—Unlimited Indemnity, Beneficiary Benefits, Accumulations, Optional Benefits, Hospital Indemnity, Combination Features, Surgeons' Fees Where no Claim for Disability is Made, Special Benefits for Sunstroke, Freezing, Etc.

Accident and Sickness Insurance for Women.
Contracts Practically Without Conditions.

CLARENCE F. BRIGGS,

SUPT. PACIFIC COAST DEPARTMENT.

California, Oregon, Washington, Idaho, Nevada, Arizona, Utah, and the Hawaiian Islands.

Mills Bldg., San Francisco

H. H. HAIGHT, District Agent.

Contracts Unexcelled. Agents Everywhere.

**MEN WHO CAN
DO THE WORK**

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

**UNION MUTUAL LIFE
Insurance Company**

PORTLAND, MAINE.

FRED E. RICHARDS, President

Address ALBERT E. AWDE, Supt.,
396 Congress St., Portland, Maine.

GEORGE E. HUNT, Manager
Shreve Bldg., San Francisco

T. H. McAllis, Manager, Sherlock Bldg. Portland, Ore.

P. B. Duren, Manager, Boston Block, Seattle, Wash.

The Western States Agency Co., Manager, 225 Foster Building, Denver, Col.

J. E. Evans, Manager, Vancouver, B. C.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	- - -	\$ 250,000 00
Cash Assets (Gold)	- - -	2,096,766 26
Net Surplus over Capital (Gold)		1,357,229 46
On deposit in the United States, (registered U. S. bonds)	-	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents
Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco

[Babcock Building]

PHOENIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building
(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

*Of all kinds at very low rates.
Employers Liability Policies in-
demnifying employers against
claims for accidents to employees.
Individual, Fidelity Bonds and
Accident Policies. Workmen's
Benefit Policies. Vehicle Insur-
ance. General Liability Policies
on buildings. Elevator insurance.*

CHAS. J. OKELL & CO.

General Agents, - - - San Francisco, Cal.
Royal Insurance Building

Agents Do Well who Represent the
SAN FRANCISCO LIFE INSURANCE COMPANY

**Experienced Life Insurance Men
 and Successful Business Men Direct its Affairs**

Business and Resources are Increasing. Interest Earnings are
 6.30 per cent. Low Mortality Experience Shows
 Good Class of Policyholders.

Home Office: 57 POST ST. San Francisco, Cal.

GERMANIA

**FIRE INSURANCE COMPANY,
 NEW YORK.**

ORGANIZED 1859.

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

HEAD OFFICE

Cor. William and Cedar Sts.

FIRE

The New Bruswick Fire has announced an increase of its capital and surplus each from \$200,000 to \$300,000 bringing its assets up to over \$1,000,000. The company expects to add another hundred thousand to capital and surplus within the next year.

FIRE

William L. Titus, Cook county special agent and adjuster for the Continental, has been indicted by the grand jury on three charges. Titus would report a fire loss, make out a proof, adjust the loss, get the draft and cash it, appropriating the money to his own use. He is said to have made a full confession in writing. Titus had been with the Continental more than twenty years, and was held in high regard. He is said to have defrauded the company of something like \$10,000. An investigation is now being made of all business that he had any connection with, and it is said that the revelations are surprising.

At a meeting of the board of directors of the Germania Fire Ins. Company, held July 2d, George B. Edwards was elected president, succeeding the late Hugo Schumann. Mr. Edwards joined the Germania in February, 1874, in a clerical position. He later became a special agent and in 1892 was called in from the field and elected vice-president. He is an able underwriter, thoroughly in touch with the details of the Germania's operations, and his election will gratify the agents and stockholders of the company.

The Phœnix of Hartford is entering New Mexico.

LIFE

"Don't try to sell life insurance without showing your sample policy."

"Don't forget that time is your capital, so don't spend it any more foolishly than you would your money."

"Don't tell your prospect you are a life insurance agent right off the reel, but say you would like to talk to him a few minutes."

"Keep out of sight when not working."

"Don't try to sell insurance with tobacco in your face."

"Talk about the goods and not about the cost."

"Sidestep all arguments."

We find the foregoing by a Nebraskan in Life Insurance Independent.

Utah's department asks for information as to the apportioned surplus on deferred dividend policies at the end of the fifth policy year on all policies issued in the past four years. Guaranteed dividend (or coupon) policies must include full premium in the tax returns.

GOOD AGENTS WANTED

THE

West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, *President*
C. O. G. MILLER, *Vice-President*
JULIAN SONNTAG, *second Vice-President*
WILLIAM C. HAMMOND, *Secretary*

Health and Accident Insurance

KIMBALL C. ATWOOD, *President*
WILFRID C. POTTER, *Secretary*

The
Preferred
Accident Insurance
Co.
OF NEW YORK.

Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT :

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

FIRE

Incendiary Attempt in San Diego

After extinguishing a small blaze in a hotel at 6th and E streets the firemen found evidence of an attempt to burn the building. Bottles of oil on end with wax corks, cans of distillate, saturated excelsior and an oil-soaked string fuse were found. The hotel was filled with sleeping guests.

154 Peasants Burn to Death

St. Petersburg, July 4.—One hundred and fifty-four peasants were burned to death today in a fire which destroyed the village of Astradamov-kao, in the district of Alatyr.

James F. Stone of American Union notoriety is blandly circularizing former agents of the company to the effect that he is going abroad soon and expects to bring home with him the United States management of a foreign fire company. If this should come

about, would they be disposed to re-establish business relations, etc.?

There is every reason to believe that if Mr. Stone is governed by the nature of the replies received, he will be able to save the price of his passage.

The driver of a truck who knocked down and ran over a pedestrian looked down and yelled "Look out, there?"

The prostrate victim raised his head and feebly moaned: "Why, are you coming back?"—The Standard.

The grain interests of St. Louis, represented by the members of the Merchants' Exchange, have planned to insure grain stored in the St. Louis elevators, temporarily, in the absence of insurance as formerly written. The details of their plan have not yet been made known, but the grain men have sent out a notice to this effect.

The Pennsylvania legislature has appropriated \$25,000 for an investigation of fire insurance.

HOME LIFE INSURANCE COMPANY OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—*"The Com' & Fin'cl Chron."* 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,

256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department, 123 William St., New York, N. Y.

Liability

Workmen's Collective

Workmen's Compensation

Burglary

Personal Accident and Health

Industrial Accident and Health

Agents Wanted For Unoccupied Territory

Apply to New York office or to

WALTER A. CHOWEN,

Pacific Coast General Agent

340 Sansome Street San Francisco

AGENTS WANTED

To Solicit Subscriptions for The Coast Review, now in its 42d year. Good commissions. Sample Copies sent in advance. Will pay well any active man. Special offerings. Write Publisher for further particulars.

National Union

Fire Insurance Company

of Pittsburg, Pa.

Cash Capital, - - - - -	\$1,000,000.00
Surplus to Policyholders, - - - - -	1,545,227.00
Assets, - - - - -	4,136,638.00

METROPOLITAN DEPARTMENT

SAN FRANCISCO

604 Merchants Exchange Building

DIXWELL DAVENPORT.

E. C. DIETZ.

MANAGER

ASS'T MANAGER

FIELD REPRESENTATIVES:

R. R. Roper, NORTHERN CALIFORNIA

604 Merchants Exchange Bldg, San Francisco

Wm. M. Stodghill, SOUTHERN CALIFORNIA

302 Stimson Building, Los Angeles, Cal.

CASUALTY

An interesting problem confronts the Michigan Industrial Accident Board. A party of Bell Telephone employees engaged Alfred Boylan, an employee in a Cadillac livery stable, to drive them through the country. A stop was made by the telephone gang to erect a pole. Boylan was asked by the telephone company's foreman to assist in the work. The pole fell on Boylan, severely injuring him. He is now seeking compensation, and the proprietor of the livery stable refuses to pay because he claims that Boylan was not working for him at the time of the accident. The Michigan State Telephone Company also denies responsibility.

SOME OF THE ADVANTAGES ENJOYED BY EQUITABLE REPRESENTATIVES

- The backing of one of the largest and strongest financial institutions in the world.
 - A Participating Company.**
 - A Prompt Paying Company.** Of the 5,089 domestic death claims paid by the Equitable during 1911, 5,035 or nearly 99 per cent were paid within one day after receipt of "Proofs of Death."
 - A Company whose policies are standard contracts,** drawn to conform to the Insurance laws of New York and other States.
 - A Company issuing every desirable form of insurance including** Corporation Insurance, Income Insurance, Employe Insurance, Home Purchase Insurance, Joint Life Insurance and a large variety of Annuities.
 - A Company large and Strong** enough to insure applicants for large amounts **under a single policy.**
 - A Company whose policyholders include the world's Captains of Industry** whose identification with the Equitable is in itself an endorsement.
 - A Company granting insurance to sub-standard physical risks**—bringing protection within the reach of applicants who might otherwise be deprived of it and saving business for the agent.
 - A Company which insures women** at the same premium rate as men.
 - A Company whose canvassing documents** are comprehensive, adequate and attractive.
 - A Company engaged in a broad "conservation of life,"** movement—aiming to lengthen the lives of its policyholders as well as insuring them.
 - A company that has withstood every conceivable test**—wars, financial panics, epidemics, and lastly, a great fire
- The Society has openings in practically every State for energetic agents of character and ability.*
- Address **H. L. ROSENFELD, Assistant to the President**
 165 Broadway The Equitable Life Assurance Society of the United States New York

REPUBLIC UNDERWRITERS

POLICIES UNDERWRITTEN BY THE
 AUSTIN FIRE INS. CO. and the COMMONWEALTH FIRE INS. CO.
 of DALLAS, TEXAS

TOTAL ASSETS OVER \$1,174,970.99
 SURPLUS TO POLICYHOLDERS OVER 738,629.96

LOCAL AGENTS WANTED

243 SANSOME STREET
 SAN FRANCISCO, CAL.

ANDERSON & EDWARDS, Managers

Shot Off His Foot for Insurance Money

Francis M. Pope of Denver took out an accident policy in a Texas company, and soon afterward, while on a train, on a hunting trip, shot his left foot off, "accidentally." The insurer declined to pay and was sued for \$14,000. In court this week, one Wright testified that Pope had offered him \$500 to confirm the accident theory. The court instructed the jury to return a verdict against Pope, which was done. Pope was then arrested on a charge of perjury. This man Pope is a graduate of two universities, and is an ex-banker.

The Roman emperor Diocletian was deeply interested in two occupations—

one was ruling men, the other was planting cabbages; and he preferred the latter as far the pleasanter. But if the latter had been managing a fire insurance company instead?

To Newspaper Men

There is no copyright on the contents of the Coast Review. Help yourself with or without credit. By the way, why not club your paper with the Coast Review, for insurance agents and local merchants, who would better read this monthly monitor regularly and alertly?

Elk Creek, near Willows, Cal., lost its business midst by fire, starting in a shanty, July 1.

LIFE

The Toledo Life and the Great Northern Life of Toledo are to be wedded and later weeded.

The Manhattan Life's convention of agents in San Francisco in 1915 should stir up other companies to tempt their agencies with a similar convention.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY
Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General Manager

Union Assurance Society, Ltd.

1714

OF LONDON

1913

Assets, \$6,000,000.00

CATTON, BELL & CO., General Agents

R. C. MEDCRAFT,
Manager

JOHN E. COSGROVE,
Ass't Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—WM. M. PATTERSON, Portland
F. F. RICHARDS, Los Angeles

I. M. FISHER, Jr., Spokane
F. A. STAHL, Sacramento

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets, - \$995,596 Capital, - \$300,000 Surplus, - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

332 Pine St.,

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912	\$280,438,555.87
Returned to policyholders as above noted, in the same period	288,936,237.13
<i>Excess of amount so returned</i>	8,497,681.26
Insurance in force December 31, 1912	209,394,597.00

The only company with such a record is the best company to represent.
 President, **JOHN M. TAYLOR**, Hartford, Ct.



Los Angeles Fire Insurance Company

Los Angeles, Cal.

Cash Capital, (Fully Paid), - - \$200,000.00

*Secure An Agency of This Home Company.
 A Good Agency Company.*

San Francisco Office, 334 California Street

**CALIFORNIA NATIONAL LIFE
 Insurance Company**

Safe .. Sound .. Conservative

HOME OFFICE

Timken Building

SAN DIEGO, CALIF.

THE THIRD CLASS LOCAL AGENT

WHAT would you think of a local agent who never talked about insurance? about its cost, income and profits, its commissions, taxes and expenses? He wouldn't know much about the business, would he?

Now an insurance journal is but authoritative talk about insurance, backed by libel liability.

Any local agent who doesn't read about insurance in an insurance journal is a Third Class Local Agent.

He is not up to date in news, in principles, in practices, in court decisions, in knowledge of the condition and prospects of the insurers.

He is like a cheap skate of a lawyer who never reads a court decision, or a bum doctor who never reads a medical journal.

This 3rd rate local agent saves a cent a day but he may cost his patron 5,000 when a loss is settled—and thereby lose friendship and \$500 commissions.

CAPITAL. NET SURPLUS. YEAR ORGANIZED.	FINANCIAL CONDITION			INCOME		EXPENDITURES			RATIOS		PACIFIC DEPT.			
	GROSS FIRE ASSETS	LIABILI- TIES	SURPLUS AS TO POLICY- HOLDERS	REINSUR- ANCE RESERVE	NET PREMIUMS RECEIVED	TOTAL INCOME	TOTAL EXPEN- DITURES	LOSSES PAID	EX- PENSES	LOSSES TO PREMIUMS	EXP'S TO PREMIUMS	PREMI- UMS RECEIVED	LOSSES PA'D	LOSS RATIO
1913	3,872,789	2,414,267	1,458,922	2,074,165	2,369,173	2,545,884	2,429,935	1,318,910	1,019,922	59.9	43.0	379,669	158,635	41.7
1912	3,772,690	2,359,711	1,416,379	2,068,310	2,461,874	2,396,827	2,490,227	1,472,592	1,006,448	68.3	41.4	492,006	187,036	46.8
1911	3,688,702	2,350,176	1,238,926	2,028,249	2,496,270	2,463,882	2,369,623	1,251,467	1,004,448	80.3	40.7	381,638	193,863	49.8
1910	3,398,159	2,215,554	1,182,605	1,928,102	2,412,736	2,315,748	2,244,236	1,230,161	1,004,802	81.3	41.0	398,241	178,794	44.8
1909	3,213,103	2,114,503	1,098,600	1,866,057	2,335,463	2,294,647	2,438,193	1,332,313	1,004,142	77.0	38.0	334,028	196,372	58.5
1913	1,962,189	1,321,148	641,041	1,183,840	1,116,086	1,179,291	1,110,643	580,860	479,983	82.0	42.1	205,253	147,895	49.9
1912	1,914,393	1,273,629	634,764	1,134,131	1,110,817	1,102,162	1,080,419	583,910	480,276	82.3	44.0	221,327	110,069	49.7
1911	1,803,796	1,182,692	621,104	1,068,367	1,043,482	1,106,643	1,085,174	546,656	457,778	82.3	41.9	183,177	65,038	36.3
1910	1,763,683	1,188,669	375,034	1,022,078	1,043,716	1,098,361	1,075,012	475,012	343,313	72.1	40.3	162,816	65,198	39.3
1909	1,575,592	1,028,463	547,129	928,198	929,453	982,166	1,035,520	511,462	375,944	73.0	40.2	150,124	66,756	44.5
1913	46,944,394	27,651,274	19,893,120	17,511,937	23,999,151	25,485,136	22,731,726	12,563,647	8,276,045	66.3	34.4	1,223,922	499,024	40.8
1912	44,632,557	25,771,809	18,890,748	16,224,253	22,387,739	23,768,911	21,692,842	12,185,314	7,724,191	64.4	31.7	1,278,367	446,505	34.9
1911	42,393,828	24,487,046	17,816,782	15,827,192	22,145,798	23,459,540	20,699,628	11,488,359	7,616,847	67.1	31.8	1,292,389	455,318	35.5
1910	39,648,588	19,826,741	16,102,847	14,550,947	20,787,093	21,993,020	19,991,385	10,436,825	7,125,747	70.2	31.2	1,297,827	487,611	37.2
1909	27,822,582	17,013,074	10,894,488	12,908,819	18,441,172	19,352,606	17,802,073	9,483,274	6,512,300	68.1	35.3	1,240,977	503,314	40.5
1913	2,738,433	1,831,665	906,768	1,508,998	1,916,660	2,158,253	1,973,882	951,165	728,685	76.8	38.0	1,223,922	465,529	45.0
1912	2,593,741	1,592,143	1,001,597	1,363,258	1,614,150	2,133,096	1,752,127	892,613	672,880	75.2	41.6	1,278,367	664,490	47.1
1911	2,230,862	1,454,220	706,641	1,260,154	1,430,155	1,615,137	1,507,969	764,295	596,392	78.4	41.7	1,292,389	64,697	47.9
1910	2,226,265	1,407,922	813,343	1,224,769	1,423,066	1,772,913	1,600,769	887,722	613,247	69.1	43.0	1,297,827	56,079	47.6
1909	2,450,038	1,686,845	783,193	1,532,732	1,683,865	1,808,749	1,624,472	713,808	504,351	70.6	41.8	1,240,977	63,592	62.1
1913	2,175,589	1,586,576	619,013	1,397,007	1,429,815	1,525,723	1,473,254	877,918	544,742	61.7	38.3	22,378	20,547	91.8
1912	2,140,571	1,580,122	560,450	1,402,922	1,474,303	1,582,634	1,515,924	793,668	569,921	71.8	38.4	21,689	10,933	46.9
1911	2,078,919	1,499,183	579,736	1,326,748	1,469,089	1,573,251	1,503,671	731,055	593,879	80.8	38.4	16,177	7,509	46.6
1910	2,064,694	1,440,813	623,881	1,274,710	1,411,627	1,594,156	1,492,444	667,303	525,141	77.2	37.2	18,706	10,201	54.9
1909	1,984,231	1,412,467	571,764	1,237,361	1,390,757	1,490,293	1,487,181	739,647	517,263	69.4	37.2	19,650	3,205	26.8

26

Mr. Broker
Mr. Agent
Not very well
The condition
and prospects
of any com-
pany from one
year's figures.
No, you must
compare sev-
eral years' an-
nual figures, as
in the

Coast Review Fire Chart of 1913-14

They're Everywhere!
Price 25 cents
Unless you are
presented
with one

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
Occidental Life Insurance Co.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.



THE NEW YORK UNDERWRITERS' AGENCY

Cash Assets January 1, 1913,	- - -	\$26,492,318.21
Net Surplus January 1, 1913,	- - -	8,513,692.22
Surplus to Policyholders January 1, 1913,	-	10,513,692.22
Losses Paid, Over	- - - -	158,607,806.03

H. R. MANN, Manager

F. M. BRANCH, H. R. MANN Jr., Assistant Managers

Pacific Department: 339-341 Sansome St., San Francisco

SPECIAL AGENTS AND ADJUSTERS:—V. H. QUITZOW, A. C. ANDERSON, SAN FRANCISCO, CAL.; A. E. BAILEY, PORTLAND, OREGON; H. HARRY SMITH, LOS ANGELES, CAL.; H. B. HAGEN, SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO. OF TORONTO (INCORPORATED 1833)

United States Assets	\$1,746,624.71
Liabilities in United States	1,045,080.89
Surplus	\$701,543.82

PACIFIC COAST DEPARTMENT
129 Leidesdorff Street, - San Francisco
W. L. W. MILLER, Manager

A Sprinkler Story

Not a bad story that of the colored man employed to sprinkle a lawn. He called to collect his pay. Handed 75 cents, he was asked, "is that about right?" "yes boss," said Mistah John-sing; "but ah tink yo bettah tek back

25 cts, case I had to wait one howah till de showah was obah."

Bichloride of mercury seems the favorite route to Weissnichtwo and the treasury of the insurance company.

The bigger the man the more approachable he is.

American Central INSURANCE COMPANY of St. Louis Established 1853
 Assets, \$5,549,279 Surplus to Policyholders, \$2,410,275 Losses Paid, \$26,531,745

St. Paul F. & M. INSURANCE COMPANY of St. Paul, Minn. Established 1865
 Assets, \$8,785,319 Surplus to Policyholders, \$3,351,370 Losses Paid, \$44,006,102

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS of St Louis
 Assets, \$5,549,279
 Surplus to Policyholders, 2,410,275

Minnesota UNDERWRITERS of St. Paul
 Assets, \$8,785,319
 Surplus to Policyholders, 3,351,370

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817 Of PHILADELPHIA Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital, -	\$ 750,000.00	Cash Assets, -	\$9,091,141.00
Net Surplus, -	2,590,263.00	Policyholders Surplus, -	3,340,263.00

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets, - \$26,907,330.00 Surplus to Policyholders, - \$12,185,135.00

Net Losses Paid in San Francisco in 1906, - - \$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada
 Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles
 315 California Street, - - - San Francisco

GENERAL

Oakland, Cal., now has a skyscraper city hall, adjacent to which is one of the largest and handsomest department stores in the West.

Cities generally now pay 4½ to 5 percent interest on new bonds, but Atchison, Kansas, not only refuses to meet its now due 30-year 4 percent bonds but considers itself honorable and generous in offering to renew or refund the bonds at 4 percent, and tells the unhappy bondholders "take that or

nothing." The moral hazard of Atchison is certainly bad.

The output of American securities fell off one-half in the past fiscal year.

The Calumet & Hecla mines have one engine of 8,000 horsepower and another of 4,000 horsepower. Many of the parts of the larger engine, particularly the main shaft and connecting rods, were forged at the Krupp Gun Works, at Essen, Germany.

A man is not without humor save in his own family.

The First National Fire Ins. Co., of Washington, D. C., has entered Missouri for business. The company has also applied for admission to Tennessee. The fire companies are losing money in West Virginia.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES, \$2,826,707.00

Office : **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

Statements showing the standing of the

CALEDONIAN	INSURANCE COMPANY	Of Edinburgh
	The oldest Scottish Fire Office	(Organized 1805)
Capital	\$5,078,365 32	Assets, \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN	INSURANCE COMPANY	Of New York
Capital . . . \$200,000 00	Cash Assets . . . \$253,114 00	Surplus to Policyholders . . . \$238,104 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,405 19
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Pacific Department Office: 430 California Street, San Francisco.

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

LIFE

Borrowing on a Life Insurance Policy

(1) It is the surrender or hazard of what often proves to be the last reliable asset, or fund, for the support, education and welfare of the family in the time of its direct need, and which should be held inviolate.

(2) It is a mortgage of what may prove to be the only sure protection of an estate against its insolvency when the policy matures.

(3) The chances are many to one that it will never be repaid. Experience clearly proves that but a very small percentage of these obligations is ever redeemed in cash.

(4) If not paid in cash it must be taken from the amount of the policy and only a margin is left for the beneficiaries.

(5) In many instances it is not used to pay the premiums on insurance to keep it in force; to meet the cost of living; or to lift a mortgage on the home or for other necessities. It often goes in various speculations—sometimes on margins, in the hazards of other ventures, and in paying and making loans elsewhere bearing higher interest rates. It puts the chances of business loss against the security of a man's household.—President Taylor of the Connecticut Mutual Life Ins. Co.

F. M. Bradley has come all the way from Portland, Me., to Portland, Ore., to show the boys how to play a winner in the life insurance game. Tho' provident he may succeed.

Benjamin Shapiro expects to make a record as supervisor of agencies for the Equitable at San Francisco.

The Pacific Mutual has a group insurance policy.

FIRE

Portland.—This city has bought an Amer. La France auto fire engine for \$9,000, though another engine complying with all specifications was offered

for \$7,900. 10,000 feet of 2½ inch hose was ordered.

FIRE

The new Standard Fire of Hartford is an Ishmael as well as a weak brother. The hands of all the locals are against it, because it foolishly, rashly, gamblingly continues to do business in Missouri, from which all the sound and decent other-state companies have withdrawn.

We were sorry not to have met Secretary W. Bennett Gough of the Arizona Fire, when he last called at our office; for soon after that he passed away in Phoenix, in the prime of life. He came west from New York and engaged in business in Seattle. Thence he went to Arizona, where he organized the Arizona Fire, of which he became secretary and manager. Mr. Gough loved the Pacific West, and enjoyed the climate of Arizona. He said he would rather be a poor man in the Far West than a rich man and live in the East.

Marshall Field & Co., in many respects the most discriminating as well as the largest insurers in the country, have refused to renew their insurance in the one Connecticut company which failed to withdraw from Missouri. This was the Standard of Hartford, which persists in writing business in a state which will not permit the insurance companies to make a profit, and from which all conservative non-resident companies have withdrawn.

The defunct Farmers & Merchants of Nebraska paid less than 33 percent in full settlement of all claims. Some of the claimants looked long and longingly for cheap insurance.

San Francisco.—John F. D. Feldbusch, a Mission broker, died last week in his 85th year. He continued actively in business up to a few weeks of his death.

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

**POLICY
PROVIDING
PERFECT
ROTECTION**

HOME OFFICE
SEATTLE
U. S. A.

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.

\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over **\$500,000.00**

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets \$2,464,562.05
Liabilities in United States 1,446,243.42

Surplus **\$1,018,318.63**

PACIFIC COAST DEPARTMENT

129 LEIDESDORFF STREET - - - SAN FRANCISCO
W. L. W. MILLER, Manager.

Total Assets Represented over \$20,000,000

Svea

Insurance Company
of Gothenburg

Agricultural

Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire

Insurance Company
of New York

Hamilton Fire

Insurance Company
of New York

Globe Underwriters

of New York

EDWARD BROWN & SONS

General Agents Pacific Coast Department
202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

ONE HUNDRED YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH
(which are but a small part of total fire assets of the Co.)

\$9,139,794.00

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

JOHN McC. ANDERSON, Resident Secretary, Local Dept.

234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON OREGON, MONTANA.

P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH WYOMING.

CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA, and ARIZONA.

G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLMAN: General Inspector, Improved Risk Department, 234 Pine Street, SAN FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$— in premiums." "My business is chiefly ——" "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824,

North American Branch:

Hartford, Conn.

**JAMES H. BREWSTER
MANAGER.**

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash., Oregon, Washington, British Columbia.

JOHN M. HOPKINS, State Agent,
JOHN L. REAMS, Special Agent,
706 Gas and Electric Bldg., Denver, Colo., Colorado, Wyoming, New Mexico, Utah,

H. C. EDMUNDSON, Realty Building,
Spokane, Wash.,
East'n Oregon, Washington, Montana, Idaho

H. W. FORES, San Francisco, Cal.,
General Agent, California, Nevada, Arizona.

**SAN FRANCISCO OFFICE:
409 California Street**

The Northern Assurance Company Limited

OF LONDON

Established 1836

Accumulated Funds, \$39,436,873.00
 Invested in the United States, 5,292,022.00

FRED C. H. ROBINS, Manager Metropolitan District

330 California Street, - - - - - San Francisco

(For San Francisco and Bay Counties)

PACIFIC COAST DEPARTMENT:

PACIFIC COAST SPECIAL AGENTS:

CHICAGO, ILLINOIS,

D. R. ATKINSON, Portland, Or.

G. H. LERMIT, *Manager*

LOWREY C. HOLLOWAY, San Francisco, Cal.

J. C. CORBET, *Ass't Manager*

GEO. F. GUERRAZ, Seattle, Wash.

G. MUELLER, Los Angeles, Cal.

E. C. FOTHERINGHAM, Butte, Mont.

Pacific Surety Company

C. H. CRAWFORD,

PRESIDENT

Established - 1885

BONDS
ACCIDENT
PLATE GLASS
Employers Liability
INSURANCE

Home Office
FIRST NATIONAL BANK BUILDING
San Francisco

The London Assurance Corporation

OF LONDON

Cash Assets, \$23,044,775.00

The London Underwriters

SPECIAL AGENTS — C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
 T. S. HEATH, Denver; J. E. JOHNSON, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco.

A. W. THORNTON, *Manager*

J. M. MENDELL, *Assistant Manager*

G. E. GOGGIN, *City Manager*

WM. HACKETT, *Supt. of Agents*

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

Hereafter all the foreign companies in Japan must prove their financial stability by making deposits, and all policies and circulars relating to them must be printed in the Japanese language. According to the present rule a deposit is asked for only when the minister of

state has some uncertainty regarding a company, and the amount is fixed by him. Of course this new law applies to every country, and is not due to the recent "unpleasantness" in California.

The Continental Casualty Co. seems keeping the courts of Oklahoma busy.

World's First Insurance Congress

Success has attended all the preliminary proceedings and the initial organization has been so far effected that W. L. Hathaway, the exposition commissioner appointed by President Charles C. Moore to promote it, announces that he will call a meeting of the national council of the congress to be held in New York in the latter part of September or the early part of October of this year, for the purpose of organizing into an executive body.

The idea of holding an international insurance congress originated with Commissioner Hathaway, who is the Pacific Coast manager of the Mutual Life Insurance Company of New York. At the time of his appointment as commissioner of the exposition, in the autumn of 1912, he had already devoted two years time to promoting such a congress, the first to be held in the history of insurance, and from its inception the idea took, and met with strong approval. The Panama-Pacific International Exposition seeming to offer the most favorable opportunity for holding the congress, Mr. Hathaway had the recommendation made before the annual convention, last October, in Memphis, Tenn., of the National Association of Life Underwriters, to which he had first broached the subject of a world's congress at its Detroit convention two years earlier. This was the first association of the kind to hold a convention after Mr. Hathaway's appointment as exposition commissioner.

The proposition to hold the congress in San Francisco in 1915 was enthusiastically endorsed by the Memphis convention, which named the first delegate to serve upon the proposed National Council, the body entrusted with the conduct of the affair.

From that time to this, the planning of the congress has progressed with celerity, system and success. Interest in the event was aroused at once and has been steadily fostered ever since.

The organization consists of four principal parts:

First, the Commissioner's office, held by Mr. Hathaway.

Second, an executive committee of five, authorized and appointed by President Moore, upon nomination by Commissioner Hathaway.

Third, a committee on participation and attendance, for every branch of insurance.

Fourth, a national council, representing the entire insurance fraternity of America, and consisting of a delegate from each association of a national character, or covering a large part of the country.

The executive committee has been formed and is composed of—

William J. Dutton, president of Fireman's Fund Insurance Company, San Francisco, (Chairman).

George I. Cochran, president of Pacific Mutual Life Insurance Company, Los Angeles.

E. C. Cooper, insurance commissioner of California.

W. E. Dean, president of California Insurance Company, San Francisco.

F. F. Taylor, second vice president of Metropolitan Life Insurance Company, New York.

The committees on participation and attendance, for the various branches of insurance, represent accident, automobile, employers' liability, domestic, foreign and local fire insurance companies and general agencies; life companies of the American Life Convention; general life insurance companies; medical directors and examiners; actuaries; industrial and marine insurance; insurance brokers; miscellaneous and surety companies.

The following are the organizations which have been invited to have representatives on the national council:

Association of Life Insurance Presidents.

National Association of Life Underwriters.

Actuarial Society of America.
 American Institute of Actuaries.
 American Life Convention.
 Association of Life Insurance Medical Directors.
 Canadian Life Insurance Officers' Association.
 Life Underwriters Association of Canada,
 National Association of Life Insurance Medical Examiners.
 Alliance Against Accident Fraud.
 American Museum of Safety.
 Association of Burglary Insurance Underwriters.
 Automobile Underwriters Conference.
 Burglary Insurance Underwriters Association.
 Casualty Underwriters Association of Canada.
 Detroit Conference.
 International Association of Casualty & Surety Underwriters.
 International Claims Association.
 International Federation of Commercial Travelers' Organizations.
 National Association of Insurance Commissioners.
 National Board of Marine Underwriters
 Plate Glass Underwriters Association.
 Surety Association of America.
 Workmen's Compensation Service Bureau.
 Fire Underwriters Association of the Pacific.
 National Fire Protection Association.
 National Board of Fire Underwriters.
 New England Insurance Exchange.
 Fire Underwriters Union.
 Underwriters Laboratories, Inc.
 Southeastern Underwriters Association.
 Underwriters Association of the Middle Dept.
 The Western Union of Fire Underwriters.
 The Underwriters Association of the Northwest.
 National Association of Local Fire Insurance Agents.
 Factory Insurance Association.
 New England Bureau of United Inspection.

Texas Fire Prevention Association.
 Underwriters Bureau of Middle and Southern States.
 Underwriters Bureau of New England.
 Fire Underwriters Inspection Bureau.
 Board of Underwriters of Hawaii.
 Canadian Fire Underwriters Association.
 American Institute of Architects.
 Insurance Institute of America.
 International Association of Fire Engineers

All of the foregoing organizations have signified their intention to be represented on the national council, most of them having already named their delegates, and all of them have expressed their high appreciation of the movement to hold a world's insurance congress.

Death of Downing

The dean of Western fire managers, Jerome F. Downing of Erie, Pa., general agent of the Philadelphia Underwriters, died recently, aged 86. He began life as an editor, practiced law, and in 1864 became the Western general agent of the Ins. Co. of North America. For 25 years he also was Western manager for the Pennsylvania Fire. In 1895 Mr. Downing organized the Philadelphia Underwriters. For 46 years, until his health gave way, he was general agent for the North America.

California Rainfall by Inches

	Normal	Season of	
		1913	1912
Sacramento . . .	20.0	8.0	9.5
San Francisco . . .	22.2	12.0	14.0
San Jose	16.8	6.3	10.5
Fresno	9.7	6.2	7.3
San Luis Obispo . . .	20.5	8.5	17.1
San Diego	10.0	6.0	11.0

Many men feel that they can 'ford at least one low-cost auto, even if the mortgage remains unpaid.

Los Angeles bank clearings are increasing at the rate of six millions a month and San Francisco at the rate of a million and a half.

In December the Coast Review said: "Loss Ratio." And later it turned out "Looks like a 40 Percent Coast Fire to be 41 percent. Some gesser."

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY-THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

Alaska Commercial Building - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by
the State of Massachusetts

Incorporated 1849

Total Assets	\$ 10,407,847 65
Total Liabilities	7,537,140 04
Net Surplus	2,870,707 61

SURPLUS TO POLICYHOLDERS, \$4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by
the State of New Jersey

Incorporated 1811

Total Assets	\$ 1,870,656 00
Total Liabilities	1,010,774 70
Net Surplus	859,881 30

SURPLUS TO POLICYHOLDERS, \$1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

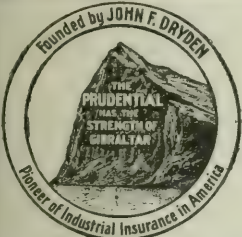
ANNUAL STATEMENT, DECEMBER 31, 1912

Assets	\$11,148,389 89
Liabilities	7,867,105 85
Capital	1,000,000 00
Surplus over all liabilities	2,281,284 04
Losses Paid to Dec. 31, 1912	40,596,818 01

This company issues contracts as follows :

Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance; Liability Insurance; Employers, Public, Teams (Personal Injury and Property Damage), Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation; Steam-Boiler Insurance; Fly-Wheel Insurance.

Pacific Coast Department: { California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange
 San Francisco, Washington and Oregon—SEELEY & CO., 111 S. 10th
 St., Tacoma; Coleman Bldg, Seattle; Board of Trade Bldg, Portland.



Time Saved is Money Made.

Everybody knows The Prudential, and its Agents do not have to "introduce" their company. They talk policies.

We Want More Agents.
Write.

THE PRUDENTIAL INSURANCE CO. OF AMERICA

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



Prevent Losses through dishonesty. Our special short form Insurance

Bond guarantees absolute protection.

American Surety Company ^{OF} NEW YORK

The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.
 JAMES K. LYNCH, RESIDENT VICE-PRES.
 CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

Brewster Cameron, Jr., Acting Mgr. for Northern California and Nevada
 Merchants National Bank Bldg. San Francisco. Telephone Kearney 1099

The Rossia Insurance Co., of St. Petersburg, Russia, has been authorized to do business in Arkansas. This is one of the foreign reinsurance com-

panies that has been forced into the state through the operations of the act of 1913. There are now seven of them entered.

The Press

An alleged insurance weekly has "newsnotes" credited to various towns, of which these are samples, in a recent issue:

Mound City.—Jim Jones, the popular special agent for the Squeezem Fire Ins. Co., was in town Friday.

Centerville.—Jim Jones, the rapid fielder for the new Squeezem, who knows all about the fire insurance game, fell into our midst on Saturday.

Redwood.—Jim Jones of the Squeezem, hailing from San Francisco, where we hope to die of old age, made a loud report here on Sunday, and helpt Andy Andrews get Mother Brown's cowbarn risk on Monday morn.

Apple Grove.—James Jones Jr. blew in with the weather on Tuesday and made Alf Aldrich, the Squeezem's agent, a dreadful example for 15 minutes. But Alf forgave him, and signed a check for \$15.15 underdue premium balance.

Wheaton.—Wednesday saw the arrival of a leading man of the San Francisco fire minstrel show—Mr. Jimmie Jones, who is the squeezee for the Squeezem company from down East. On Thursday he automobilized to our unhappy sister city, Pine Tree.

Pine Tree.—The honk of the auto-horn brought all the fellows in Hank Smith's grocery store out onto the porch, to welcome Jim-jam Jones from San Francisco, where he is the whole cheese of a company that advertises regularly in the Explosion. On Thursday evening Jonesey vanished.

Shirt-Tail Gulch.—Special Agent Jim Jones, weary of a week's work in the eastern half of our prosperous state, came in on Saturday's stage. Come again, Jim, when you can't stay so long.

Turkeyopolis.—We were pleased to greet Special Agent Jones from the Exposition City on Friday.

And this is a sample of weekly insurance journalism west of Chicago. It is called "news."

The Insurance Monitor will soon celebrate its sixtieth anniversary.

In number of insurance news items the Western Underwriter of Chicago leads all the rest, East or West.

The weekly insurance journal—never a newspaper—has a very flattering opinion of itself, not justified by the facts. This is not the opinion of the Missouri state insurance boss only.

Covitz Fire in Chicago

"I examined some of the bolts of cloth and found them saturated with gasoline," said Mr. Sullivan. "I saw firemen carrying some of them out and they caught fire while passing a gas jet. The Covitz brothers were telephoned to at their home and placed under arrest as soon as they arrived."

San Francisco is helping its beautiful central retail district by building an expensive tunnel under Bush, Pine, California, Sacramento and other streets along Stockton. The poor property-owners along this and crossing streets are being heavily assessed for an improvement of doubtful value. The cost is \$337,000 for the bore.

Seattle.—Everybody's friend, John H. Schively, ex-state insurance commissioner, and ex-deputy, and ex-securities man, is turning out a success as solicitor for Calhoun, Denny & Ewing. He has a new story.

The Lake Superior Copper region is that part of Michigan that juts out into Lake Superior, and where it is cut off from the southern portion by the Portage River, Portage Lake and a ship canal.

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

The first office to commence paying losses after the conflagration.

The first office to commence paying in full the face of the policies, without discount, for cash or exchange.

The only general agency that remained in San Francisco where its patrons suffered.

The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.

The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

Get the Best Insurance While You Are About It It Costs No More

January 1, 1913

OLD AND
TRIED

GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,312,945 00
UNDIVIDED PROFITS	2,486,705 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,848,154 00
UNDIVIDED PROFITS	896,217 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,492,354 00
UNDIVIDED PROFITS	439,752 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal.

Fire Automobile Marine

COMMERCIAL UNION

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$ 14,750,000
Paid-Up Capital	1,475,000
Total Cash Assets, Gold	56,579,048
Total Liabilities, including re-insurance reserve	46,019,127
Cash Surplus to Policyholders	10,559,921
Total Amount of Claims Paid	175,573,348

Assets in United States Held by Trustees, \$7,643,751

ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE

Security Building, 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

FIRE

The Reliance of Philadelfy is being sued by a church in Omaha for a \$3,000 loss which occurred six hours after the policy expired. We sympathize with the plea made by the church, to-wit: that the company should, as usual, have asked for the renewal of the policy.

Cities being rich, and there being better grafting, automobile fire engines are rapidly replacing the less expensive horses and engines. The difference between a 12 and 22 mile gait in the city may close the door to a conflagration when the autoengine doesn't break down or run into a mud or chuck-hole. Hey there doesn't mean hay there any more in the engine house of the future.

The motor-drawn fire fighting apparatus of Springfield, Mo., got to the fires quicker than the horses but never made any salvage just the same. The city dads are wondering what they

have gained by substituting the more expensive gasoline wagons.

Young fire agents may easily earn the Coast Review subscription. Easy. Ask the publisher.

Fourth of July Dead and Injured

The sane and safe celebration of the Glorious Fourth this year resulted in only 16 reported deaths and 874 injuries. In 1912 there were 41 fatalities; in 1911, 57; in 1910, 131.

Heavy Kansas Fire Loss

The Kansas state fire marshal has just completed the tabulation of the reports of the Kansas fire insurance companies showing the losses paid by the companies and the actual loss on property insured. On the insured property of the state there was a total fire loss of \$3,154,212, and on the uninsured property the estimated loss was \$2,444,514, making a total loss by fire of \$5,500,000 during the year of 1912.

STABILITY AND STRENGTH

RESOURCES OVER \$52,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

PACIFIC DEPARTMENT

WILLARD O. WAYMAN---CARL A. HENRY
JOINT GENERAL AGENTS

FRANK E. STONE **MAXWELL H. THOMSON**
ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets
San Francisco, Calif.

Branch Offices: Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00

Assets, \$9,268,924.08

WILLIAM J. DUTTON

PRESIDENT

BERNARD FAYMONVILLE

VICE-PRESIDENT

LOUIS WEINMANN

SECRETARY

A. W. FOLLANSBEE, Jr.

MARINE SECRETARY

J. B. LEVISON

SECOND VICE-PRESIDENT

H. P. BLANCHARD

ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

T. M. GARDINER

TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building, Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 85
NO. 2

AUGUST

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast INSURANCE Review

PROTECTION

An Insurance Journal and Directory

IN ITS FORTY-SECOND YEAR

San Francisco: Merchants Exchange Building

The Only *INSURANCE* Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

12 Years' California Big Deficit
Palmer Lumber Insurance
Revised Field Men's Directory
Two Coast Fire Cases in Federal Court
Motor Car Insurance
Miscellaneous Comparative Totals
Marine Insurance Business in Washington
Pacific Department Liverpool & London & Globe in New
Building
Several Company Reviews
Miller Elected President Pacific Coas Casualty
Denial of Life Co. Rumor
\$800,000 Life Insurance Capital Lost
Another New York Fire Company to be Absorbed
Some Life Insurance Figures
Record of a Few Coast Fires

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets
\$62,500,000.00

Assets in U. S.
\$13,739,218.97

LIVERPOOL & LONDON & GLOBE
INSURANCE CO., LTD.

NEW YORK OFFICE, 80 WILLIAM STREET.
H. W. EATON, Manager
G. W. HOYT, Deputy Manager
J. B. KREMER, Ass't Deputy Manager
T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
CLARENCE F. LOW, Manager
J. G. PEPPER, Ass't. Mgr.
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CHICAGO OFFICE, INSURANCE EXCHANGE.
W. S. WARREN, Manager.
GEO. H. MOORE, Assistant Manager
HUGH R. LOUDON, Deputy Ass't. Mgr.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
JOHN W. GUNN, Manager
R. P. FABJ, Ass't Manager

CALIFORNIA, NEVADA, ALASKA, OREGON, WASHINGTON, ARIZONA, IDAHO.

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO.

DEUS NOBIS SUBSIGILLUMQUE DIRIGE

Established 1836

Entered U. S. 1848

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05
Surplus	\$4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144.

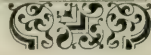
LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852
Company's New Building
444 California St., San Francisco

JOHN W. GUNN, Manager
R. P. FABJ, Assistant Manager

Special Agents:

- G. BRUSH
- R. H. ROUNTREE
- HARRISON HOUSEWORTH
- D. B. EDWARDS
- W. H. RAYMOND
- CHESTER S. MYRICK
- F. E. ATKINS
- GEO. J. JANES



Conflagration-Proof Insurance



Losses paid to date, - - over \$164,000,000

PACIFIC DEPARTMENT



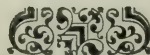
GEO. H. TYSON GENERAL AGENT.
HERBERT FOLGER, ASST. GENL. AGENT.

SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



YOUR CARD

as a representative of the "Oldest Life Insurance Company in America" will prove your best introduction

**The Mutual Life Insurance Company
of New York**

Impregnable Strength

Incomparable Dividends

Maximum Benefits

Minimum Net Cost

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

GENERAL

The risk of a war between Bulgaria and Servia was covered by insurance effected in London. These insurances are now claims.

Labor unions in a South African large mining city forbade the newspapers to comment on the strike. All papers were suppressed, except one published by a union. In San Francisco during the Schmitz-Ruef regime one daily paper was boycotted, because it exposed the administration. Persons who bought and read the paper were assaulted or at least insulted. Old men who sold the paper were beaten. The police looked the other way. To have enforced the law would probably have caused their dismissal from the force. This was government by labor-unions. Rule by a vigilance committee seemed near. Excepting the boycotted one, the daily papers were very cowardly. Then followed the arrest and unseating

of the mayor and the sending of his "prime minister" to the penitentiary.

S. E. Mason, a Denver life man, lost his life in a rail accident in New Mexico.

The Kansas commissioner has refused to allow companies to increase their tornado rates, although companies have been losing money on this class of business in the state. Fortunately as yet there is no law compelling the companies to write business at losing rates established by the state.

Uncle Sam and the Uncles Samlets are taking care of everybody but the farmer and the insurance agent. Everybody else must have an income that will enable him or her to live up to a high standard of meat three times a day and three "movies" in the evening. Everybody has an organized vote except the farmer and the ins. agt., neither of whom has organized votes behind him.

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00

Net Surplus, 295,338 00

Total Assets, 1,278,845 00

OFFICERS

W. E. DEAN, President
GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
GEO. L. PAYNE, Treasurer

HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.

Special Agents and Adjusters

J. W. WARNER, San Francisco
A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

**Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
and at the rate of "Dollar for Dollar."**

Western Department, Chicago, HENRY J. WOESSNER, Gen'l Agt.
Eastern Department, Philadelphia, FRANK C. STURTEVANT, Manager.
Middle East Department, Pittsburg, LOGUE BROS. & CO., Gen'l Agts.



LTD.

OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

PACIFIC DEPARTMENT - - - 332 PINE ST.
SAN FRANCISCO, CAL.

JAMES WYPER, - - - Manager

THE LONDON & LANGASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM
AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES

Pacific Coast Casualty Co.

Of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00.

Assets, : : 1,231,513 10

..... President
CARL G. BROWN Vice-President
H. A. BAUER Secretary

DIRECTORS.

Henry E. Bothin	E. F. Green
Edward L. Brayton	Carl G. Brown
Marshal A. Frank	J. H. Bennett
Allen I. Kittle	Geo. W. Turner
F. P. Deering	H. W. Goodall
W. P. Johnson	

Head Office: Merchants Exchange Bldg.
San Francisco

GENERAL

There's that frog story, first in the Coast Review 20 years ago, and now in the Pacific Mutual News for August. An accident company 20 years ago printed and circulated 50,000 copies of it. We hope some day to see it in Tit-Bits.

According to the veracious day-prints—that's our new word fresh from our own wordmint—the new national insurance board of England is vexed and perplexed—or vext and perplext. Recently it paid a young mother maternity benefits amounting to 30 shillings. The stork, by some error, entered the same house with another baby. The mother of the two is doing quite well and wants another 30 shillings. The machinery of the national insurance act has slipped a cog and the jolt has delayed recognition of the new claim. The two infants were born of the same mother six weeks apart—one a boy and the other a girl. Well, now did you ever!

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-three Years for

Low Rate of Mortality

Economy of Management

Prompt Payment of Claims

GROSS ASSETS, OVER - - - \$19,500,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Hellman Building) LOS ANGELES, Cal.



The Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop

FIRE

Rumanian oil-well risks were covered by war damage policies recently in London.

A Chicago woman, wife of the missing incendiary Korshak, recently confessed that she was a member of the arson trust. She named six firebugs.

The Fidelity-Phenix semi-annual statement shows \$3,620,982 net surplus and \$14,306,862 assets. Securities have depreciated over \$1,000,000 since January 1.

Insurance Superintendent Clunie Revelle of Missouri insists he is going to send several insurance presidents to the penitentiary.

Santa Rosa, Cal.—Vernon Doughty, a young insurance man, left a suicide note dolorous and disappeared. Later he was found alive and lively in San Francisco—and charged with seduction, etc.

Iowa fire losses have increased nearly 20 percent.

Fidelity-Phenix reports \$3,620,992 net surplus July 1st.

The Vulcan Fire of New York wants to play with matches in fiery Missouri.

Carlton, Ore., July 31.—S. E. Cummins' farm house near here burned. Loss \$1200.

Pelican Fire Ins. Co., of Louisiana, with only \$12,000 funds, will liquidate. It was a promotion scheme.

Politics or I. W. W.? The firemen of Oklahoma City went on strike last week and left the city without fire protection.

E. C. Stokes of Trenton, N. J., has been elected president of the Peoples National. General R. B. Beath continues as vice president.

Long Beach, Cal.—Water, water everywhere and nary a drop to drink. Long Beach, where 30 years ago we were offered the best lots for \$50 each.

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company his leader. That company is certain to be the Continental = = = = =

HENRY EVANS, President

Pacific Coast Representatives:

A. G. NASON & CO., San Francisco
F. P. WILSON, San Francisco
G. L. McINTIRE, Los Angeles

W. A. WILLIAMS, Portland
G. L. A. LAUER, Seattle
J. A. CARLSON, Spokane, Wash.
J. C. WICKLER, Sacramento

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



FOUNDED 1806

Funds Exceed - - \$ 46,000,000

Annual Income Exceeds 6,500,000

Claims Paid Over - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BRODENSTEIN - California, Nevada, Colorado and Utah.

APPLICATIONS FOR AGENCIES INVITED

Connecticut Life and Miscellaneous Report

With the compliments of Burton Mansfield, insurance commissioner, we receive part second of the insurance report of Connecticut—always a welcome pub. doc. because a valuable one—the 48th too. The receivers of the Aetna Indemnity report \$278,305 assets. Among receipts were two small items from the sale of real estate in San Francisco and San Diego.

Lifeboat Regulations in the United States

All vessels propelled by machinery other than steam, subject to the inspection laws of the United States and carrying passengers, are now required to have the same lifeboat and lifecraft equipment as steamers of the same class, and local inspectors must so indicate in the certificate of inspection.

This paragraph does not apply to such vessels under fifty tons, when

navigating in daylight only, and when equipped with air tanks under deck of sufficient capacity to sustain afloat the vessel when full of water with her full complement of passengers on board, or when properly subdivided by iron or steel water-tight bulkheads of sufficient strength and so arranged and located that the vessel will remain afloat with her complement of passengers with any two compartments open to the sea; provided, however, that no such vessel shall be navigated without having on board lifeboat capacity of at least 100 cubic feet.

But Not In California

“Don’t you think,” asked the deacon, “that we ought to begin praying for rain?”

“No” replied the parson, “I have a better idea. Let’s make immediate plans for a Sunday school picnic.—Record Herald.

ESTABLISHED IN 1845

Prussian National

Insurance Company

(OF GERMANY)

CAPITAL, . . . \$2,250,000.00

ASSETS, . . . 5,130,876.07

United States Branch

171 LaSalle Street, Chicago

HAROLD W. LETTON,

General Manager

JOHN A. PRINSEN, General Agent

315 South Broadway

LOS ANGELES, CAL.

The
Metropolitan
Life

Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

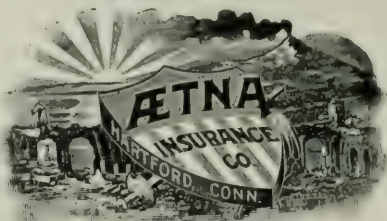
SAN FRANCISCO

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Net Surplus
\$8,238,392.50
Surplus as to
Policyholders
\$13,238,392.50



Cash Assets Now
\$23,051,531.36

Losses Paid
in
94 Years
\$132,981,553.48

All Losses Paid in Cash Without Discount Immediately Upon Adjustment

W. H. BREEDING, General Agent

E. S. LIVINGSTON, Asst. General Agent

**Main Office, 301 California Street
SAN FRANCISCO**

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, General Adjuster

G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR, FRED H. ROADS

This Company has absolutely no connection with any other corporation bearing the name of AETNA.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21

Surplus to Policyholders 10,513,692 22

Losses Paid, Over . . . 158,607,806 00

PALACHE & HEWITT, General Agents

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

J. J. DENNIS

P. H. GRIFFITH

WILLIAM S. DENNIS

NEIL STEWART

C. E. MILLER

M. E. SPAULDING

J. HENRY WOLBOLD

GEO. E. DEVINE

R. E. DOLLARD

L. H. EARLE

August, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 42d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 85

San Francisco, California, U. S. A.

Number Two

Entered at San Francisco Postoffice as second-class mail matter

The newspapers have no mercy for their competitors, the billboards.

‡‡

"I object to the Coast Review," said a San Francisco manager. "Why?" "Because it contains so much good reading that it takes my time and I don't feel like throwing it into the waste-basket as I do other insurance journals."

‡‡

Opportunity knocks daily at every well man's door.

‡‡

The man who is always looking for a soft place usually finds it some day—in his head.

‡‡

Recently our legal department, always good, has been better than usual.

‡‡

Hawaii is digesting the Pinkham pill.

‡‡

San Diego should prepare to annex Baja.

‡‡

From Bulgar we get our word vulgar. The Volga is The Bolga. Bulgar(r)ians are the Turks who went west on the north side of the Black Sea.

‡‡

For three days in April, 1906, San Francisco was a city of little shocks. After that for three years it was a city of little shacks.

For some men a certain lecture always means a curtain lecture.

‡‡

We don't undertake to make ad corrections for the current month after the 1st thereof. But it is never too late for a new ad.

‡‡

Promotions never come singly.

‡‡

Have you ever noticed the great difference of meaning between "re-lease" and "release"?

‡‡

It would be easy and proper to drop the mute final "e" in Spokane. Else the present pronunciation will in time be changed to rhyme with cane.

‡‡

He said: "Among other things I wrote an application." This error of speech is rather too common.

‡‡

It doth appear from our Best Legal Digest that there is a Queen of Arkansas Ins. Co.

‡‡

The crookedest man in the business once started an organization to make all other agents straight.

‡‡

He alone achieves, who is doing—not who is "going to do."

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

Life Insurance in Court

Missouri—Hartung et al. v. Northwestern Mut. Life Ins. Co., 156 S. W. R, 980

Actions—Venue

An action on a life policy is transitory and may be instituted anywhere that service can be had on insurer.

Claims of Beneficiaries—Actions—Jurisdiction

A claim to an interest in a life policy on the death of insured is a claim of a debt, within the rule that debts have no situs, but may be attached or followed in a state other than that in which the debtor is a resident, where the assets of the debtor can be there found, and the action may be brought in any court in which jurisdiction can be had over the person of the debtor.

Guardian and Ward—Jurisdiction

Where a foreign company doing business in the state issued a policy on the life of a resident of St. Louis for the benefit of his wife and children, the probate court of the city of St. Louis had jurisdiction to appoint an administrator of a deceased beneficiary and a curator of an infant beneficiary and the administrator and executor could sue on the policy for their interest.

Contracts—Divestiture Clause—Construction

A life policy for the benefit of the wife and children of the insured, which stipulates that insurer will pay to the "beneficiary or their executors or administrators" the amount of the policy, and in case of the death of the "said beneficiary before the death of" insured the amount shall be paid at maturity to the heirs or assigns of insured, designates the beneficiaries as a class and there is no divestiture, unless all of the class die prior to the death of insured; and where insured died leaving a wife and four children and grandchildren of a deceased child, who was living at the time the policy was issued, but who died before insured, the one-sixth interest of the deceased child

in the proceeds of the policy passed to the grandchildren and her husband.

The judgment of the circuit court in the case at bar must be reversed and the cause remanded with directions to that court to enter up judgment in favor of plaintiff for one-sixth of the amount of the policy sued on and interest. It is so ordered.

Fire Insurance in Court

Federal — Globe & Rutgers Fire Ins. Co. v. Alaska - Portland Packers' Ass'n, 205 Fed. Rep. 32

"Concurrent Insurance" — What Constitutes—Marine Policies Also Concurrent

Where a policy covering a salmon cannery, wharves, platform, material, and supplies, etc., contained a rider, "Other concurrent insurance permitted," without limitation or other stipulation, the term "concurrent insurance," was not limited to policies sustaining the same measure of liability, but meant insurance running with defendant's policy which to any extent insured the same interest against the same casualty at the same time; and hence defendant's policy was not avoided by the fact that plaintiff also procured Lloyd's insurance and a marine policy covering the same property, but not subject to the same liability.

The defendant in error, through its brokers, procured of plaintiff in error a policy for \$5,000 on a salmon cannery and contents at Nushagak, Alaska, and salmon on the wharves and platforms connected therewith. The policy was for the term of one year from May 1, 1910, at noon. It contained a provision that, unless otherwise provided by permission indorsed thereon or added thereto, the entire policy should be void "if insured now has, or shall hereafter make or procure, any other contract of insurance, whether valid or not, on the property covered in whole or in part by this policy"; but attached to the policy was a

slip containing this provision: "Other concurrent insurance permitted." At the time of taking out the policy, defendant in error, through its brokers, took out similar policies in different amounts with four companies, and subsequently, on May 15, 1910, it procured other policies of marine insurance from the St. Paul Fire & Marine Insurance Company, and what are known as "Lloyd's" upon the cannery on Bristol Bay and on the ship Berlin, including fire risk from midnight of date of sealing of tins or barrels of salmon. The cover notes of the Lloyd's insurance contain the following warranty: "Warranted free from particular average unless the vessel be stranded, sunk, burnt, on fire, or in collision"—and all the policies of marine insurance contain similar provisions. On August 10, 1910, the property covered by the fire policies and by the marine policies was largely destroyed by fire. The plaintiff in error, in its answer to the complaint, in the action brought to recover on its policy, denied liability, on the ground that its policy had been voided by the procurement of the marine insurance; the contention being that such insurance was not within the permission of the slip which was attached to the first policy, providing "Other concurrent insurance permitted." At the conclusion of the taking of the testimony, the plaintiff in error moved for a directed verdict in its favor, on the ground that the permission indorsed upon the slip attached to the face of the policy had been forfeited, first, by the procurement of the Lloyd's insurance; secondly, by procuring the St. Paul Fire & Marine Insurance Company's policy. The court overruled the motion. The court charged the jury "that the policies taken out by the plaintiff company in the Lloyd's and the St. Paul were concurrent within the meaning of these policies, and therefore the defense that the policies were voided because of such insurance is not sustained." The jury returned a verdict for the defendant in error, and judgment was thereupon entered.

What is "concurrent insurance," as those words are used in the contract? The word "concurrent," while its primary meaning is "running with," is used in different

senses. It does not appear that in insurance contracts it has any settled, definite, technical meaning. But few insurance cases are reported in which the courts have been called upon to determine its meaning.

The plaintiff in error relies upon *New Jersey Rubber Co. v. Commercial Union Assur. Co.*, 64 N. J. Law. 580, 46 Atl. 777. In that case there were two defenses — one resting on the terms of the policy; the other resting on an agreement made before the policy was issued. The policy insured certain property against loss by fire, and it contained a provision against other insurance similar to that in the policy in the case at bar, and a rider permitting "other concurrent insurance." The concurrent insurance which was procured covered only a portion of the property. Defining the provision permitting concurrent insurance, the court said:

"Concurrent insurance is that which to any extent insures the same interest, against the same casualty at the same time as the primary insurance, on such terms that the insurers would bear proportionately the loss happening within the provision of both policies. It is this last quality, of sharing proportionately in the loss, that distinguishes concurrent insurance from mere double insurance."

And the court held that the additional insurance, although it covered only a portion of the property, came within the expressed permission.

In *Caraher v. Royal Ins. Co.*, 63 Hun 82, 17 N. Y. Supp. 858, the court held that insurance was none the less concurrent in a case where the loss, if any, under one policy would be payable to the assured, and under another policy the company had by endorsement assented to its payment to a mortgagee as his interest might appear.

In *Corkery v. Security Fire Ins. Co.*, 99 Iowa 382, 68 N. W. 792, the court said:

"Defendant claims that these policies are nonconcurrent, because they do not specify the amount of insurance, separately, on the goods held in trust or on commission. It is conceded that, if they specified the sum thereof applicable to the property covered by the policy in suit, they would be concurrent; but it is insisted that, as they are, an adjustment cannot be readily made. The provision as to contribution provides for such adjustment, and the fact that it may not be so easily made as if the policies each covered only the same property is no reason for holding them to be nonconcurrent."

The court said: "It seems reasonably clear that an ordinary man reading the

rider on the policy, would not find in the word "concurrent" the meaning which the plaintiff in error now seeks to give it. Where a policy is susceptible of two constructions, either of which may be given without violence to the words used, the construction most favorable to the assured will be adopted; and, in ascertaining the meaning of ambiguous provisions, assistance is often found in the practical construction given thereto by the parties to the contract. In this case both parties to the contract gave it the construction which the defendant in error contends for. The evidence that the defendant in error gave it that construction is that it proceeded to procure the insurance which it did, assuming that it was permissible to do so under the contract. The evidence that the plaintiff in error so understood the contract is found in the correspondence between the parties after the loss. The fire occurred on August 10, 1910. Within 60 days thereafter the defendant in error gave the plaintiff in error a statement setting forth among other items, all the insurance on the property, and the terms of the policies thereon. Thereafter, during the months of October, November, and December, 1910, written communications passed between the parties, in which, to all appearance, all of the insurance was treated as concurrent. The matter of the difference between the parties was that the defendant relied upon the clause of its policy relating to the proportion of the loss to be borne as affected by the total amount of the insurance. On January 3, 1911, the plaintiff in error submitted a proposition for arbitration, in which all the insurance was treated as concurrent and in which forms for findings were submitted, among others, as to the liability of the Lloyd's underwriters and the St. Paul Fire & Marine Insurance Company. It does not appear that prior to the time of filing its answer herein, which was in July, 1911, the plaintiff in error ever claimed that the other insurance was not concurrent, or that its policy had been voided.

The argument of the plaintiff in error that the purpose of the prohibition in the policy against other insurance is to avoid

the moral hazard involved in over insurance and that such moral hazard would be enhanced by marine policies, which provide for payment only in case of total loss, is not convincing as applied to the present case. The plaintiff in error voluntarily removed its restriction upon other insurance and placed no limitation upon the amount of the concurrent insurance which it permitted. Under that permission, overinsurance might have been placed on the property under policies differing in no essential feature from that of the plaintiff in error. The fact that some of the policies which were taken out were marine insurance does not indicate any enhancement of the moral risk. It is true that the policies herein were not concurrent in kind or in method of adjustment with the policy of the plaintiff in error; but they were concurrent in time and concurrent as to the property which they covered. If the plaintiff in error intended that the concurrent insurance should be identical with its own, it should have expressed that meaning in terms so clear as to admit of no doubt, and it would have been a simple matter to do so. We think that the contract was susceptible of the construction which the court below gave it, and that there was no error in the rulings, or the instructions, or refusal to instruct.

The judgment is affirmed.

Federal—Rife et. al. v. Lumber Underwriters, 204 F. 32

Associations—"Citizen"

In an action against a Lloyds association, an allegation that defendant is an "association" is not alone sufficient to show citizenship, since an association, which is not a corporation, is not a "citizen," within the statutes regulating jurisdiction of the federal courts.

"Continuous Clear Space"

A provision in a fire policy, covering lumber in piles, requiring a "continuous clear space" of 100 feet between the property insured and any woodworking or manufacturing establishments, was breached by the maintenance of an oilhouse, barn, and an elevated driveway in the 100-foot space between the lumber insured and plaintiff's mill.

Conditions—Clear Space—Waiver

Where defendant's inspector made measurements and observations of plaintiff's saw-mill yard prior to the issuance of the policy sued on, and ascertained the then existing conditions, and defendant associations (through its "home office" or general managing officers) had the report of the inspector, showing the existence of a barn, oilhouse and elevated lumber platform within the 100-foot space required by the policy to be kept clear between the piles of lumber insured and plaintiff's sawmill, proof that with such knowledge (and with reason to believe that the continued existence of such structures in their then location during the life of the successor policy was contemplated) defendant issued the policy and retained the premium would be competent to raise an estoppel against defendant's right to insist on a breach of the clear space provision as a defense to an action on the policy, notwithstanding the provision in the policy that no agent or representative of the underwriters should have power to waive any provision or condition in the policy, except such as by its terms might be the subject of agreement, indorsed thereon or attached thereto, and as to such provisions they could not be waived, unless in writing indorsed on or attached to the policy.

Arkansas—Commercial Union Fire Ins. Co. v. King, 156 S. W. 445

Actions

The burden of proving the delivery of a letter canceling the policy sued on is upon the company in order to defend on the ground of cancellation.

Cancellation of Policy

A letter by the local agents to insured, stating that the company had ordered the policy canceled, since practically all the companies had discontinued the writing of country business, and it would be impossible to rewrite the policy, and "we will cancel this policy tomorrow, and if you can make other arrangements * * * it will be well for you to do this before noon," was sufficient as a notice of cancellation.

The right of canceling a policy can only be exercised when such right is reserved in the policy and in the manner provided in the policy.

A notice from the general agent to the local agent directing the cancellation of a policy did not operate to cancel it; the policy providing that five days' notice to insured was essential to its cancellation.

Sufficiency of Cancellation

A notice of cancellation of policy must be so unequivocal that insured may not be left in doubt that his insurance would expire on the time limited by the terms of the policy, so that the company will not be liable for loss after that time and must not merely state an intent to cancel if some condition be not complied with.

Policy Remains in Force 5 Full Days After Receipt of Notice of Cancellation

Where policy provided that five days' notice of cancellation be given insured, the policy remained in force for five full days after the receipt by insured of a notice of cancellation, even though the notice stated the policy would be continued in force for only one day.

The policy in question is what is known as a standard policy, and the provision with reference to cancellation upon five days' notice has been passed upon by many courts and uniformly held valid. But this right of cancellation, where a policy has been fairly entered into and has taken effect, can be exercised only because it is reserved in the policy and can only be exercised as it is there provided. *Davis Lbr. Co. v. Hartford Ins. Co.*, 95 Wis. 226, 70 N. W. 88, 37 L. R. A. 131; *American Fire Ins. Co. v. Brooks*, 83 Md. 22, 34 Atl. 376. The notice from the general agent to the local agent, directing the cancellation of the policy, did not accomplish that result. *Farnum v. Phoenix Ins. Co.*, 83 Cal. 246, 23 Pac. 872, 17 Am. St. Rep. 233.

Arkansas—*Queen of Arkansas Ins. Co. v. Laster*, 156 S. W. Rep. 848

Notice to Agent—Collusion

Where agent had no interest in insured property, the fact that he was acquainted

with insured and his daughter and worked in same bank with daughter, that he had a friendly feeling for both and was so much interested in procuring the insurance that he agreed to and did pay the premium, did not show such fraud and collusion as prevented notice to agent of incumbrances on property, constituting notice to company.

Proofs of Loss—Necessity—Waiver—Adjuster

The failure to furnish proofs of loss, as required by a contract of insurance, forfeits the policy and is a complete defense to any suit thereon.

Where, after a fire, insured called at company's office and notified it of fire and asked for blank proofs of loss, but was told by adjuster that he carried no blank proofs of loss and shortly afterwards adjuster went to insured's farm to adjust loss, questioned insured relative thereto, took down his statements, and when told by insured that he was ready to furnish any information desired, stated that he had "all the proof he wanted," formal proofs of loss as required by the policy was waived, notwithstanding an agreement that any action in investigating the origin of the fire or in ascertaining the amount of the loss should not be a waiver of any of the conditions of the policy; the statement that he had all the proof he wanted being equivalent to a statement that he was satisfied as to the loss and had all the information relative thereto desired.

Instructions—Actions on Policies—Conformity to Evidence

An instruction that there was a provision in policy that if with insured's knowledge foreclosure proceedings were commenced, or if any change should take place in the interest, title or possession of the property by legal process, judgment, voluntary act of insured or otherwise, the policy should be void, and that therefore if jury believed that property or any portion was in litigation at time of loss, or that any change had taken place in possession or in title or interest of insured, to find for defendant, was properly refused where there was no evidence of any knowledge on part of insured

of foreclosure proceedings pending at time of or before loss, or of any change of interest, title, or possession.

New York—Hancock v. Hartford Fire Ins. Co. 142 N. Y. Sup. 352

Telephone Conversations—Admissibility

Ordinarily a telephone conversation is inadmissible, unless the person with whom the conversation is held is identified by the person testifying to the conversation.

Where an employe of defendant testified to a telephone conversation with plaintiff, and the issue involved what was said in the conversation the testimony of a second employe overhearing what the employe said to plaintiff in the conversation, was admissible.

Tendering of Unearned Premium—Stipulations—Waiver

A stipulation in a fire policy, authorizing insurer to cancel the policy on tendering the pro rata unearned premium, is for the benefit of insured, and he may waive the requirement of a tender of the unearned premium.

Cancellation of Policy

Where insured in a fire policy stipulating for its cancellation by insurer tendering the pro rata unearned premium, knew of the intention of the insurer to cancel, and voluntarily surrendered the policy unconditionally for that purpose, the policy was canceled though insurer did not tender the unearned premium.

Indiana—Western Ins. Co. v. Ashby, 102 N. E. 45

Voiding of Policy

Provisions in a policy that it shall be void upon breach of certain conditions merely allow it to be avoided at the option of the insurer, who must, after notice of the breach, act with reasonable promptness, notify the insured of its election, and tender back the unearned premium.

Insurance Brokers

A broker acting within the scope of his authority, is the agent of the company from

which he secures insurance, and his knowledge relating to the risk is binding on the company, though not communicated to it.

Loss—Waiver

Where company has knowledge of facts which will enable it to declare the policy void, and it requires proof of loss, failing to give timely notice of its election to avoid the policy, it waives the right to defeat a recovery for those reasons.

Kentucky—Connecticut Fire Ins. Co. v. Moore, 156 S. W. 867

Cure by Verdict

The failure of petition in action on policy to allege value of goods destroyed, or that insured had sustained any loss under policy, was not cured by a verdict for plaintiff, where there was no admission nor proof of loss, the only evidence relative to the value of the goods or the loss sustained being restricted to the question whether plaintiff herself set fire to the goods or caused some one else to do so, and the question of value or loss sustained was not submitted to jury.

Secondary Evidence—Notice to Produce— Necessity

In an action on policy, the contents of a letter written by insurance company to local agent, denying liability, could not be proved by a witness who had read it, in the absence of any notice to the company to produce it.

Parol Evidence Affecting Writing

In action on policy which prohibited additional insurance without consent of company indorsed on policy, oral evidence that company's local agent at time policy was taken out consented to additional insurance did not vary or alter the terms of written contract, but was competent as showing waiver.

Notice to Agent of Additional Insurance

Notice to agent intrusted with duty of soliciting insurance, delivering policies, etc., of additional insurance on property covered by a policy, which prohibited additional insurance without insurer's consent indorsed on the policy, was notice to the company.

Waiver by Agent

An agent intrusted with duty of soliciting insurance, delivering policies, etc., could, during the continuance of the policy, and before a fire, waive a provision of the policy prohibiting additional insurance without the consent of the company indorsed thereon.

Actions on Policies — Evidence — Admissions of Agent

In action on policy, proof of admissions by agent intrusted with the duty of soliciting insurance, etc., made before a fire, showing knowledge of additional insurance on the property, was admissible as substantive evidence of a waiver of a provision of the policy prohibiting additional insurance without the consent of the company indorsed thereon, it being within the scope of his authority to make an admission binding on the company, and hence it was immaterial whether such admissions were competent to contradict his testimony; he having been called as a witness for plaintiff.

Oklahoma—Ætna Ins. Co. v. Jester, 132 P. R. 130

Appraisal of Loss — Right to Introduce Evidence

Where a policy provides that in the event of loss, if the insured and the company fail to agree as to the amount of loss, it shall "be ascertained by two competent and disinterested appraisers, the insured and this company each selecting one, and the two so chosen shall first select a competent and disinterested umpire; the appraisers together shall then estimate and appraise the loss, stating separately sound value and damage, and, failing to agree, shall submit their differences to the umpire; and the award in writing of any two shall determine the amount of such loss"—the insured has the right, if he demands it, to introduce evidence before the appraisers as to the extent of his loss, and, where he is refused permission upon demand, to introduce evidence the award is not binding upon him.

Setting Aside Award—Second Appraisal

An insurance company, by asserting the validity of an award of appraisers, waives its right to have the loss again appraised when the first award is set aside for invalidity.

South Carolina—*Sammons et al. v. American Home Fire Ins. Co. et al.*, 77 S. E. Rep. 1108

Insurable Interest—Building Contractors

One who contracts to furnish the materials and erect a building has an insurable interest in the building, irrespective of payments made to him by the owner.

Where a contractor agreed to build a building which was partially in existence when his contract was made, upon its destruction by fire during construction, and while he held a policy upon the building, he is entitled to recover only the value of the building at the time of the fire, less its value when he commenced work thereon.

Owner and Building Contractors

It is incumbent upon the owner of a building and a building contractor to prove their respective insurable interests in order to recover against the insurance company upon the destruction of the building during construction.

Mississippi—*Riverside Development Co. v. Hartford Fire Ins. Co.*, 62 S. E. R. 169

Agents—Authority

An agent authorized to issue policies can not bind his principal by issuing a policy on property owned by him or in which he has an interest adverse to that of his principal, or on property owned by a corporation of which he is a stockholder, though the rate of premium is fixed, and though he acted in good faith in issuing it.

Ratification

A company, having no knowledge until after a loss that the property insured by a policy issued by its agent, authorized to issue policies, was owned by a corporation of which he was a stockholder, did not ratify the act of the agent by making no objection to the report of the agent that the policy was issued, made shortly after its issuance.

Appraisal—Waiver

A company, joining with insured in the appointment of appraisers to appraise a loss, as required by policy declaring that such appraisal shall affect no other question under the policy, does not thereby waive his

right to object to the validity of the policy on the ground that the agent issuing it was a stockholder of the corporation owning the property covered thereby.

Fire Legal Brevities

Commencement of foreclosure proceedings against the insured property held to prevent recovery on the policy providing that it should be void in case of such proceedings, though the fire did not result from the seizure and the premises were released from seizure prior to the fire.—*Jones & Pickett v. Michigan Fire & Marine Ins. Co.*, 61 So. 846.

A policy issued by an insurer whose constitution provided that its policies should extend only to live stock on the farm covers insured's live stock when temporarily off his farm for purpose of pasturage.—*Kinney v. Farmer's Mutual Fire & Ins. Society of Kiron, Iowa*, 141 N. W. 706.

In an action for the first premium on an insurance policy, where the defendant contended that he had not accepted the policy, a receipt given on March 26 cannot be deemed an "acceptance" of a corrected policy not delivered until March 29.—*Priddy v. Baum*, 140 N. Y. S. 481.

Where a fire policy is issued without a written application, and the insurance agent knows that the covenant as to unconditional and sole ownership in insured is untrue, and the insured has been guilty of no fraud, the company is estopped from setting up the breach of the covenant in a suit on the policy.—*Clymer Opera Co. v. Flood City Mut. Fire Ins. Co.* 85 A. 1111.

§ 553 (Me.) No recovery could be had under a fire insurance policy where the insured parties, in their proofs of loss and in their testimony in an action thereon, falsely and fraudulently misstated the quantity and value of the goods destroyed. *Pottle v. Liverpool & London & Globe Ins. Co.*, 85 A. 1058.

Embezzlement.—Fraudulent and felonious conversion of a principal's money by an agent to his own use constitutes embezzlement according to the laws of this state.—78 S. E. 430.

Bonding Insurance in Court

North Carolina — Dixie Fire Ins. Co. v. American Bonding Co. 78 S. E. Rep. 430

State Law Governing

The Illinois general agent procured his bond in Illinois but the bond was to be construed under the laws of the agent's home office state. It was therefore immaterial whether there had been any breach under the laws of Illinois.

Telegraph Notice—Written Notice

Where a bond given to indemnify an employer against the embezzlement or default of an employee expressly provided that the failure to comply with some of its provisions should render it void, but did not so provide with reference to a provision requiring immediate notice by telegraph and in writing of the discovery of any default or loss, and such provision was not made a condition or express warranty, the failure to give immediate notice by telegraph did not relieve the indemnitor of liability, where written notice was given five days after discovery of the default.

Accident Legal Brevities

An allegation that insured's death resulted from an "accidental injury independent of all other causes" sufficiently alleged that his death was caused solely by "external, violent, and accidental means."—*Pacific Mut. Life Ins. Co. v. Shields*, 62 So. 71.

Where insured, in an accident policy providing that no benefit should be paid for injuries received while in a caboose used for passenger service, was killed while on a caboose attached to a stock train, he being in charge of cattle, the caboose on which he was riding was not "used for passenger service."—*Standard Accident Ins. Co. of Detroit, Mich. v. Hite*, 132 P 333.

An accident policy providing that no benefit should be paid for injuries while on a caboose used for passenger service, the words "on a caboose" are qualified by the words "used for passenger service."—*Id.*

It was not the kind of car that controlled but the fact whether it was at the time engaged in passenger service, within the ordinary meaning of the term.—*Id.*

Where policy provided that it should not apply to injuries received while riding in a caboose used for passenger service, it does not follow that a person injured while in charge of cattle and riding in the caboose, though as to the railroad a passenger, was in a car at the time "used for passenger service."—*Id.*

Waiver of Payment on Stipulated Day

Where a life policy provided for payment of premiums on the 1st day of each month and forfeiture for non-payment, and premiums were paid for over six years on about the 20th of each month without objection and receipts given, and the last payment was in November and insured died on the 6th of December following, payment of the December premium on the 1st day of the month was waived.—*Fenn v. Northwestern Nat. Life Ins. Co.*, 133 P. 159.

The Life Application

Company could not resist a recovery on a life policy by reason of alleged false representations in an application for a different policy.

Where policy does not recite that it is issued in consideration of an application made a part of the contract, false representation made to induce the issuance of the policy, whether oral or in a paper not attached thereto, if material, may be relied on in defense, notwithstanding Insurance Law. § 58

A representation in an application that insured had not been under the care of a physician since the previous summer, when in fact he had consulted numerous physicians within two weeks prior to the date of the application with reference to a disease of the eye, was false.—*Aaronson v. New York Life Ins. Co.*, 142 N. Y. S. 568.

Counterfeit \$5 Gold Piece

A dangerous gold \$5 counterfeit is in circulation on the Coast. It contains \$3.50 gold, some silver and the rest is copper. This coin cannot at sight nor by sense of weight be distinguished from a genuine \$5 coin of the recent issue. Bankers have been deceived. The counterfeit can be detected only by the difference in the "ring."

INSURANCE OF ALL KINDS

Bond Premiums May Be Taxed as Costs in Washington

Any receiver, assignee, trustee, guardian, executor, administrator, committee, or other fiduciary, required by law to give bonds as such, may include as a part of his lawful expenses, such reasonable sum paid to such a corporation for such suretyship not exceeding one percent per annum on the amount of said bond, as the head of the department, court, judge or officer by whom, or the court or body by which he was appointed, allows, and in all actions and proceedings, the party entitled to recover costs may include therein such reasonable sum as may have been paid such company for executing or guaranteeing any such bond or undertaking therein as may be allowed by the court or judge before whom the action or proceeding is pending: Provided, That the premium or charge for bonds given by surety companies for appointive or elective officers of the state, counties and cities of the first, second and third class and towns shall be paid by the state, county, city or town, respectively: Provided further That no such premium or charge shall exceed one-half of one percent per annum on the amount of such bond, and validating such payments heretofore made.

ADJUSTERS. — Thrasher Hall, a Chicago independent adjuster, has written a sort of farewell note, in which he retires from business as a company adjuster and announces himself as an adjuster for the assured, as a partner of Joseph Fish. Hall says the day of the independent adjuster is rapidly passing. The various adjustment bureaus, he says, which are owned by the big companies, are doing the work cheaper and equally well, and the independent fellow must now be a dependent fellow, with a little work and a small income from the small companies. Fish, he says, cleared about \$10,000 as an adjuster for the assured at the time of the San Francisco fire. The Coast Review hears he cleared \$78,000. This is not quite so large a sum as that made by a crooked adjuster for a hard-hit British company. Fish has just been arrested on a charge of complicity in the Chicago arson trust.

Connecticut Fire Insurance Company

Here is one of the few companies able to show year after year gains in assets, surplus and reinsurance reserve, and also make every year an underwriting profit. In the past four years the reinsurance reserve has exceeded the premium income. The proportion of surplus to assets is increasing also a fact which indicates a steady improvement in the real resources of this strong, old company.

Assuming that underwriting conditions continue favorable the Connecticut Fire Insurance Company will soon have eight millions of assets, with three and a half millions of surplus to policyholders. The yearly income passed four millions several years ago, and losses and expenses have been, on the average, several hundred thousand less, thereby permitting, regularly, a substantial increase to the surplus funds and the security of the policyholders.

The Pacific Coast department, under the successful management of B. J. Smith, has a half million premium income yearly, with a very moderate ratio of losses incurred to premiums received. The Connecticut Fire has an excellent reputation in this field as well as elsewhere. An adjuster, familiar with conditions at the time, informs us that the company was among the most liberal in the settlement of the 1906 conflagration losses.

Brokers Sometimes Overstep Mark

Brokers who undertake to advise their customers who suffer loss in their duties sometimes overshoot the mark. There was a delay of nearly two months lately in an adjustment because a broker insisted upon payment of \$400, whereas the judgment of experts was less than half, and the broker went so far as to threaten to take away his business from the office which refused to allow the claim. The end of it was an appraisal and a compromise for \$250, which might have been arranged in the beginning.—The Spectator.

Motor-Car Insurance Developments in Great Britain

From the Times of London

Only persons in close touch with the motor industry can have any idea of the enormous increase in the production of cars and the consequent rapid expansion in the demand for motor insurance. It is a highly technical business, since there are some dozen or so different risks which have to be taken into account, and it is perpetually changing as developments in the motor industry occur. At the present time, for instance, there is the great output of small, cheap cars, known technically as cycle-cars, which have been put on the market so recently that there is very little experience to form a basis for premiums, while during the past few weeks new schemes have been devised for covering commercial vehicles which are now being adopted in all directions. More companies and associations would, no doubt, make a bid for motor insurance but for the necessity of employing a highly technical staff for assessing the risks and the desirability of building up a big organization for dealing with claims.

Third-Party Claims

Except, perhaps, in the case of very wealthy motorists, some form of insurance is indispensable, since there is no limit to the liability for third-party claims. The liability is simply governed by common law and varies in individual cases. A death, for instance, often costs an insurance company a thousand pounds, and a broken limb may easily cost at least half as much. In not a few cases a broken limb costs more than a death, for, as one expert expresses it, should you have the misfortune to kill a man you have only, if there are no dependants, to bury him, but if you unluckily maim a man, you may have to keep him for life. Not a little, of course, depends on the composition of the jury. Insurance offices rather caldously admit that if there happen to be several motorists on the jury they may expect lenient treatment, but if, as not infrequently happens, the accident occurs in an agricultural district and the jury consists mainly of farmers, the injured person can rely on a very sympathetic verdict. It is important to emphasize this unlimited liability for third-party claims, since no man of moderate means can possibly afford to

remain uninsured. The most usual practice of the companies is to cover the whole legal liability of the owner, his paid servant, or any resident member of his household. Some associations have quite lately gone so far as to include in their "comprehensive" policies the liability of any relation or friend personally driving with the owner's consent; it may be argued, though, that the companies, from their point of view, are thus giving rather a wide cover, and that it would be more in their interest if such persons were left to insure against their third-party risks themselves, which they can now do cheaply enough. Another new feature, which applies particularly to professional men, is that the owner is covered against third-party claims and law costs if driving another car while his own is not in use. The common plan in granting this cover is to stipulate that the car in use shall not exceed 40-horse power. A further new point made by certain of the associations is that the owner is entitled to the advice of their solicitors in any proceedings taken under the motor car act, 1903, for offences alleged to have been committed by the owner or his paid driver. Such offences include driving in excess of the speed limit or otherwise to the common danger, the non-production of the license, and driving without the proper illumination of the license number. The value of the benefit is deemed to lie in the fact that the association's solicitors are necessarily experts in motor cases, while the owner's ordinary solicitors have often had no experience of such claims. No doubt these enterprising offices would be willing enough to offer to pay any fines, were they allowed by the law to accept this responsibility.

Damage to the Car

But though the third-party liability is undoubtedly the most formidable of the risks incurred by motorists, it may be estimated that at least 75 percent of the cars in the United Kingdom are covered against the risks of damage and total loss. Further, the experience of the offices is that high-valued cars are almost always insured, probably largely because they belong to persons who well realize the nature of the risks incurred and do not grudge the annual premium. By far the most important of these direct damage risks is that of accidental damages to the car, lamps, tires or

other accessories. The great bulk of the claims for damage under this heading may be said to be for amounts of less than £100, and 50 percent are probably for less than £50. In this class of casualty are included the risks of external accidents due to mechanical breakdown or breakage and wear and tear. There is actually a technical distinction drawn between breakage and breakdown, which the proposer would be well advised to investigate when effecting his insurance. In some instances mechanical breakage has been construed as being damage due to some defect in the parts, while mechanical breakdown is held to cover such mishaps as the breaking adrift of parts, defective lubrication, freezing of cylinders, and the loss of non-skidding devices, etc. Some offices, in order to put the point beyond the region of doubt, include both "breakage" and "breakdown." A simple example of an accident due to wear and tear would be the non-working of a brake and consequent collision. The risk of a mechanical breakdown itself is rather an intricate matter. To include this risk considerably higher rates are asked, usually an additional 20 percent. The most usual plan is to cover mechanical breakdown up to the full value without any excess in the first year of the car's life, though it must be admitted that the value of this is rather offset by the maker's guarantee, which, as a rule, is given for the first year. For later years the terms of the associations vary.

The Risk of Fire

The second risk is that of fire, and some companies consider it to be so slight that they practically ignore it in fixing their rates, that is to say, they practically ignore the risk of total loss, for fire is the chief cause by which a car can be totally destroyed; yet it is not altogether negligible, as was proved in the case of the fire at the Burhill Golf Club two years ago.

Kansas, with rates made by the state, has had these loss ratios, as we find in the Spectator: 1908, 64.3; 1909, 63.0; 1910, 63.5; 1911, 81.7; 1912, 72.4. The organized locals supported state-rate-making. The companies are losing money in Kansas and may have to withdraw from the grasshopper state. New York's premiums were \$25,320,121 last year, a decline of a million. This total is

only some six millions less than the total for the Pacific West.

The Frankfort General

The home office statement of this German company presents a total of \$13,045,090, of which \$4,000,000 is capital, \$3,685,000 is a reserve fund, \$3,501,800 is the total of other reserve funds, and \$3,501,800 is the total of premium and other reserve funds. It will be seen from these figures that the Frankfort General is an exceptionally strong company.

The United States branch has \$1,480,256 assets invested in this country, of which \$458,631 is surplus. The investments are first rate bonds and stocks. The classes of business written are: accident and health, liability, burglary, auto and teams property damage, workmen's collective.

The Pacific Coast department is making a good showing. Walter A. Chown is manager, at San Francisco.

Jewelry Insurance Rates Increased

The recent theft of a valuable pearl necklace enroute by post to London from the Continent has caused a sharp advance of all rates for registered post risks. The rates, though advanced some 25 percent, are still low. Sometimes more than \$250,000 is written on a single piece of jewelry. The British postoffice, however, places a limit of \$600 upon the value of any single registered package. Underwriters now propose to limit the insurance and require notice of greater value. Under the present system of block policies it is possible to incur enormous liabilities, say on a single ship or outgoing mail. Large and embarrassing losses may occur by theft or wreck.

In Japan the people who buy cheap insurance have an advantage. They have the exclusive privilege to do the massage business.

We write "notices" and "reviews" of companies and their figures and doings gratuitously. Our only wages are the sense of duty done and an occasional letter of acknowledgment — the latter strange visitor being always welcome.

We Never Suppress Court Decisions

Is The Manhattan Life to Take Over the International Life?

There is intimation that the Manhattan Life of New York may absorb the International Life of St. Louis.

International Life's License Refused

Oklahoma has refused to license the International Life of St. Louis, because of failure to file its list of stockholders, and because it has contracted to buy stock of another life insurance company.

The Western States Life is not puffing its net surplus just now.

The Continental L. & I. has made a fine gain in new business.

Represented at the Recent Prince Rupert Meeting

Acadia, Etna of Hartford, Agricultural, Alliance of London, American of Newark.

British America, British Crown, British Empire.

Caledonia, Canadian Fire, California, Colonial Underwriters, Commercial Union, Connecticut.

Deleware Underwriters, Employers Liability, Franklin of W., Firemans Fund, Franklin.

Guardian, General of Perth, Globe & Rutgers, General of Paris.

Hudson Bay, Insurance Co. State of Penn., Imperial Underwriters, Jersey Fire Underwriters.

Liverpool & London & Globe, London Assurance, London & Lancashire, Liverpool & Manitoba, Los Angeles, L'Union of Paris, Michigan Commercial, Manitoba F. & M., Mercantile.

Northwest Fire, Niagara-Detroit Underwriters, National, Norwich Union, North Empire, Nova Scotia, Niagara, Newark, New Zealand, New York Underwriters, Northern.

Occidental, Phœnix of London, Pacific Coast, Providence-Washington, Queens.

Rochester German, Royal Exchange, Royal, Reliance.

Springfield F. & M., Sun, Svea, Union of London, Western Assurance, Westchester, Yorkshire.

Manager Stoy

Sam B. Stoy has assumed the duties of his new position as manager of the Pacific department of the London & Lancashire and the Orient.

Southern Surety Examination

The report shows the net surplus on June 30 to be \$30,236, as against \$176,457 on January 1. Since organization the underwriting loss has been \$276,885. The examiners criticize the company for paying dividends. There is a fixed charge of 7 percent dividend on preferred stock certificates. The directors are urged to retire this preferred stock.

The London Times called the attention of the policyholders of the Eagle that they were, by the consolidation, exchanging the uncalled liability of nearly \$8,000,000 of the Eagle stockholders for the smaller \$2,500,000 uncalled liability of the Yorkshire stockholders. This warning stopped the deal.

The Union Mutual Life of Portland has made a large increase in new business this year.

A remarkable increase in new business is reported by the Columbian National Life of Boston.

The new business of the Massachusetts Mutual has fallen off over a million.

The Mutual Life's new business for the half-year increased \$7,000,000 or nearly ten percent.

The Pittsburg L. & T. new business has fallen off.

The Northwestern Mutual's new business has fallen off \$5,000,000.

The Mutual Benefit's new business has increased notably.

The New England Mutual's new business has gained handsomely.

The Coast Review

**Bay Point Lumber Fire of August 26—
\$700,000 Yard Insurance and 80
Percent Loss**

Lloyds and Mutuals Carry Most of the Insurance

The C. A. Smith Lumber Co. yard at Bay Point, Contra Costa county, Cal., was destroyed by fire in the evening of the 26th inst. The fire began at 9 o'clock and the flames spread with amazing rapidity through the piles of lumber. Wide clear space saved the mill plant.

The heat was intense. Car wheels near a burning pile of lumber were melted.

The owners declined to pay the board rates, and after the Lumbermen's Exchange got off the risk, because of failure to make certain improvements, the entire business was placed by the Northwestern Mutual Fire Association.

The insurance on the lumber yard and contents is \$700,000, and it is estimated that the loss is about \$575,000. The insurance on the mill plant is over \$300,000.

Of the insurance on the burned yards \$240,000 was placed in stock companies, \$175,000 in Lloyd's of London, and \$285,000 in mutuals. The Northwestern Mutual's direct line was reinsured in mutuals down to \$10,000, on which the loss will be \$9,000. So we are informed by Manager Snyder.

The stock companies on the line are all non-board, so far as is known as we go to press. The National Union had something like \$50,000, and the Frelinghuysen companies for a large sum. The mutuals generally, it is believed, carried about \$10,000 each. The heaviest loser is Lloyd's.

In the Metropolitan department of the North British & Mercantile in San Francisco Geo. M. Ward, inspector and long an employee, is in charge, pending the appointment of a successor to the late John McD. Anderson. Manager Richards and General Agent Berdan are expected soon.

**Complimentary Dinner to Whitney
Palache and James Wyper**

The San Francisco associates of the newly-appointed vice presidents of the Hartford Fire, who soon become citizens of Hartford, tendered these gentlemen a complimentary dinner Thursday evening, August 28. There was a full house, with liberal applause for all the speakers. Rolla V. Watt was the toastmaster. Mr. Wyper was the sole guest of honor, as Mr. Palache is at the present time in Europe. Each gentleman receives a handsome souvenir of the occasion. Mr. Palache's was sent East. Mr. Wyper's was presented to him at the dinner. Mr. Osborn made the presentation speech, at the close of a few remarks appropriate to the occasion.

The desk souvenirs were made by a local jeweler, and are beautiful. They are exactly alike. Attached to the inkwells frame is the head of a hart, looking as if just emerging from the ford.

Mr. Wyper responded with fitting words and incidentally touched upon his pleasant relations with his associates in the past seven years. Mr. Hewitt spoke pleasingly for the absent Mr. Palache. Herbert Folger's little talk, reminiscently of the Northwest, of the great rate war, of John Cofran and Geo. W. Spencer, was very well received. C. A. Henry was persuaded to tell of "the dinner at Mrs. Clancey's." Tom C. Grant told of the days when Whitney Palache began special agency work in the Northwest.

Mr. Watt was an excellent toastmaster, who kept "events" moving. The menu was praised. The verses prepared by Mr. Osborn were sung by the happy diners, to the music of stringed instruments. Virtually every Board agency and department was represented among those present.

Goodbye! Auf Wiedersehen!

The Union Central Life's new business has gained notably.

Casualty and Surety Report of the New York Insurance Department

Albany, N. Y., July 28, 1913.

Part III of the annual report of the State Insurance Department was issued today by Superintendent Emmet.

This volume covers the financial statements of the casualty, credit, fidelity and surety and real estate title and mortgage guarantee companies operating in New York state for the year ending December 31, 1912.

An examination of the report shows that in a number of instances the figures have been materially changed from those originally submitted by the companies and carried in the department's preliminary pamphlet of tables published in April last for the early information of the public and prior to audit.

The comparative summary appended shows the results of the business for 1911 and 1912:

Casualty, Credit and Fidelity and Surety Companies		
	1911	1912
Assets	\$145,068,249	\$162,406,391
Reserves for unpaid losses \$	23,778,932	26,499,309
Unearned prem. reserve .	42,939,625	50,105,192
Other liabilities	8,888,429	12,132,371
Total liabil. ex. capital \$	75,606,986	88,736,872
Capital stock	\$ 33,777,220	\$ 38,342,525
Surplus	35,684,043	35,326,994
Premiums	\$ 93,972,996	\$110,951,393
Other income	12,253,076	11,174,181
Total income	\$106,226,072	\$122,125,574
Claims paid	\$ 37,180,214	\$ 43,197,657
Dividends to stockholders	3,398,058	5,864,307
Expenses	53,598,599	60,029,009
Total disbursements . . .	\$ 94,176,871	\$109,090,973

Three Companies Sued for \$5,000

The City Savings Bank is suing the Concordia of Milwaukee, the German of Pittsburg and the German of Peoria, for \$2,000, and \$2,000 and \$1,000 respectively, under policies expiring Aug. 1, 1913, covering Oakland property which burned on January 18 of this year.

The Philistine says "Salesmanship is the cultivation of good will."

Pacific Coast Casualty Co.

The directors are holding a special meeting. Marshall A. Frank, the former manager, is in town. The business is proceeding about as usual. Some of the embezzled money will be recovered. The California insurance commissioner, who has about completed his examination, says the loss will be less than expected.

Joseph Fish, Chicago adjuster for the assured, is at large under \$100,000 bond, charged with arson.

Examination of a London Company—Surplus Was Overestimated—Large Underwriting Loss

The New York state insurance department has completed an examination of the London Guarantee and Accident. The net surplus is found to have been on Jan. 1st., \$578,451, a decrease of \$121,575 as found in the company's statement. The underwriting results of 1912 were a loss of \$203,029. The underwriting loss on liability business was \$232,045. The net gain on investments was \$61,843, making the net loss \$141,185.

The company remitted from the home office \$324,837.

This company's principle business is liability and compensation. The other branches are nominal.

The Coast Review was the first and only insurance journal to call attention to this company's losing business in the United States.

No 12 Mos. Limit in Oklahoma.—A provision of an insurance policy executed May 25, 1908, on merchandise destroyed November 9, 1908, that an action could not be maintained on the policy unless commenced within 12 months after the fire was void under the express provisions of Comp. Laws 1909 § 1128.—Keys & Keys v. Mechanics' & Traders' Ins. Co. of New Orleans, La., 132 P. 819.

The Atlantic Horse Ins. Co is impaired. Business will probably be allowed to expire, after which the company will retire. Live-stock companies seem to have ever had success.

Honolulu Board Election

After twenty-seven years of service as president, F. A. Schaefer declined re-election at the recent annual meeting of the Board of Fire Underwriters of the Territory of Hawaii. This is the longest term as president of any underwriters' board that we can recall. Mr. Schaefer's declination of re-election for another term was greatly regretted by his fellow members. His services as president have always been very satisfactory to this model local board.

Joseph A. Gilman was elected president to succeed Mr. Schaefer, and he is therefore the first new president in twenty-seven years. The vote for him was unanimous. B. von Damm was elected vice president; the Bishop Insurance Agency, treasurer; the Audit Company of Hawaii, auditor; and A. R. Gurrey was re-elected secretary.

The Prudential Ins. Co. has completed its plans for an exhibit to occupy a space of 6,000 square feet at the Panama-Pacific fair.

San Francisco.—Geo. H. Tyson, general agent of the German American Ins. Co. of New York and the Phoenix of Hartford, is back again at his desk, after a vacation spent on a motor trip in Humboldt and Trinity counties, and part of the time at his summer home in the Santa Cruz mountains, California.

Non-Surety.—In olden times this was a recognized word. Now the dictionary says it is "obsolete." But there is occasion for its use now, for it is synonymous with personal surety, which is something that prudent people avoid, either giving or accepting.

Missouri used to be a byword for crass ignorance. It seems to grow no better fast.

Frills will not be eliminated from accident policies.

Arizona is suffering from a too light rainfall. Many cattle are dying from thirst and poor pasturage. Will these facts affect the fire loss ratio?

Fidelity and Casualty Company's New Policy

These restrictions are removed: Fifteen day clause, confinement to the house requirement, seven day clause, 26 weeks partial disability limitation, ten weeks hospital charges limitation.

The new features are briefly:

Increase of every payment of the policy, including principal sum, weekly indemnity, surgeon's fees, hospital charges, nurses' fees, doctors' bills, identification expenses, at the rate of 12½ per cent until a maximum of 150 per cent of the original amount is reached.

Payment in full for life for disability from illness or accident or both, with no stipulation of confinement to the house.

Payment up to 52 weeks for partial disability from illness or accident, or both, as follows: 75 per cent of the full indemnity for total disability of ¾ of the assured's time and 50 per cent for disability from performing any important duty.

Payment of \$50 a month to beneficiary for one year in addition to the principal sum.

Payment of hospital charges up to the full amount of the weekly indemnity for 26 weeks.

Payment of nurses' fees up to the full amount of the weekly indemnity for 26 weeks.

Payment of surgeon's fees in addition to hospital charges or nurses' fees.

All payments under schedule of injuries made optional whether caused by accident or illness.

Rate increased at age 55 instead of age 51.

The price of this policy is \$100 for risks ages 18 to 55 inclusive, and \$120 for ages 56 to 65 inclusive.

Insurance Against Riots

In London last month large insurances were effected on mills in Ulster, Ireland, against the risk of damage through civil war or riots in consequence of the passage of the Home Rule bill. The insurances are for a year, beginning with January 1st next.

Western States Life stock has advanced from 7 to 9 bid: par value 10, original cost 20.

Additional Washington Fire Figures

	Premis.	Losses
American Union	\$ 19,528	\$ 18,238
Century	2,857	3,388
Central National	7,731	5,810
City of New York	16,736	4,921
Colonial A	944	44
Commonwealth, N. Y.	15,368	6,041
Delaware	5,357	4,652
Dixie	15,289	13,938
Franklin	1,587	2,266
Firemens	37,927	13,080
General	19,392	2,297
Granite State	7,364	2,896
Ins. Co. State of Penn.	54,631	43,241
International	1,911	2,855
Jefferson	12,206	9,388
Los Angeles	7,153	1,912
Merchants, N. Y.	6,001	5,204
Merchants, Colo.	7,610	7,191
Nat. Ben Franklin	6,195	435
New Jersey	11,497	7,515
Nord Deutsche	3,992	318
North Coast	35,675	23,736
North River	14,349	12,745
Pacific	8,557	11,154
Pacific States	4,794	1,310
Reliance	16,110	6,699
Rhode Island	5,294	1,916
Security	20,162	8,780
Sovereign	6,977	12,672
Stuyvesant	45,021	33,022
U. A. Ll.	3,094	167
Union Fire	5,013	1,007
Vulcan, N. Y.	1,522	42
Western Empire	10,231	10,231
Western, Pa.	12,543	4,869
Williamsburg City	15,495	8,855
Grand totals	\$4,775,890	\$2,413,013

The above figures are taken from the Washington state insurance report.

The mutuals wrote \$535,384 premiums with \$273,358 losses.

Commissioner Hathaway announces the appointment of the following committee on participation and attendance, fire protection, for the World's Insurance Congress: Thos. R. Murphy, chief engineer S. F. F. D., chairman; J. F. O. Comstock, captain Underwriters Fire Patrol; F. H. Porter, manager Fire Inspection Bureau; Chas. Towe, S. F. fire marshal; Geo. M. Robertson, chief engineer Board of Fire Underwriters of the Pacific.

After October 1st all fire policies issued in Arizona must be New York standard form.

Reminiscences of a Veteran Fire Manager

George C. Morant, late fire manager of the Commercial Union Assurance Company, of London, and author of "Chili and River Plate in 1891," has issued a new volume, entitled "Odds and Ends of Foreign Travel," which he has dedicated to Samuel J. Pipkin, Esq., chairman of the Insurance Clerks' Orphanage. The profits from the sale of this volume he has promised to give to the funds of the orphanage. The book will be found an exceedingly interesting one as it contains Mr. Morant's travel experiences in many lands. He writes in a light and cheery vein and many of the episodes are amusing. Some of the contents are: Humors of Quarantine, A Mad Village, A Visit to Cochin China, Among Turkish Immigrants, A Little Bit of Spoo.

The price of the volume is 4s 6d (\$1.12, postage 10c). It can be had from the publishers, Messrs. C. & E. Layton, 56 Farringdon street, London, E. C., or may be ordered through Frank J. Devlin of the Atlas office, 430 California street, San Francisco, Cal. The Insurance Clerks' Orphanage is a charity which is most deserving, and it will be greatly benefited by the sale of Mr. Morant's book.

Mr. Morant, the author, has the honor of being the first president of the Insurance Institute of London. He began traveling fifty years ago.

The Beresford Golf Club crest is for sale.

Ex-President Green and ex-Gen. Agent Frank of the Pacific Coast Casualty Co. are in town, conferring with the directors. The company expects to show as much surplus as formerly. It is possible that the control will soon pass to new people.

The new Great Republic Life of Los Angeles may be taken over by the Western States Life. Negotiations are now reported.

The number of companies without any underwriters annex is growing smaller fast and faster.

Washington State Insurance Department On Limited Accident Policies

A number of the companies operating in the state of Washington and writing accident and health insurance are issuing what are known as "limited coupon policies." These policies are issued at annual rates ranging from 25 cents to \$5. This department wishes to call attention to these policies. They are very limited in character and are generally misunderstood by those securing them. They should not be purchased as ordinary accident insurance but should be treated as purely TRAVEL ACCIDENT insurance. Irresponsible agents sell these cheap policies to the general public as regular accident insurance, in competition with general commercial policies covering the ordinary accidents, while these policies are only drawn to cover such accidents as occur while traveling in a public conveyance and do not cover the common accidents that may happen. The companies writing this class of business have complied with the insurance code and the department is powerless to prohibit the general sale of these policies but deems it necessary to make this statement in view of the misunderstanding caused by the methods used in placing this class of business.

\$45,000 Hail Loss On Growing Tea

Growing tea in India, insured against damage by hail, was recently damaged to the extent of \$45,000. This crop was also insured for \$90,000 under a policy for transit risks. The owners, therefore, it is evident, have incurred a large loss in excess of the hail insurance.

Honolulu.—It is probable that the business section of this Islands city will be re-rated. Better laws and better buildings and a reduced conflagration hazard will probably justify a general re-rating. Both the dwelling and the business sections, however, have received lower rates in the past few years.

The receivers of the Southern of New Orleans have just paid a 10 percent dividend to claimants.

Bissell Succeeds Chase

The rumor proves true. Richard M. Bissell has been elected president of the Hartford Fire Insurance Co., succeeding Charles E. Chase, resigned, who retires on Sept. 15.

In Re Geo. Palmer Lumber Co. Loss

The Northwestern Mutual Fire Association had no insurance covering this plant.

Hanford & de Veuve report to us—

	Amt.	Loss
Lumbermen's Ind. Exc.	\$140,000	\$89,513
Treaty reinsurance . . .	79,500	50,830
Net line and loss	\$ 60,500	\$38,683
Approximate loss per subscriber	\$250	
Series B, L. I. Ex	\$60,000	\$38,363
Treaty reinsurance . . .	35,000	22,378
Net line and loss	\$25,000	\$15,985
Approximate loss per subscriber	\$188	

Will Resume Writing In Unprofitable Missouri

The king of Missouri has agreed to make concessions to the underwriters, and will dismiss the conspiracy cases which were to land them within prison walls. The attorney-general will make the desired stipulations as to the invalidity of the section of the objectionable Orr law as to the possession of a rate card being prima facie evidence, etc.

Reduced Commissions

Owing to heavy liability losses, the Maryland Casualty will reduce commissions on this class of business September 1. In the first half of 1913 this company lost \$203,357 on its liability business.

Pacific Surety Co.

Semi-annual figures are \$983,443 assets, a gain of some \$36,000; net surplus \$102,453, a small gain.

United States Manager Richards and General Agent Berdan of the North British & Mercantile will probably visit San Francisco and other Coast cities some time in September.

George Palmer Lumber Company Loss at La Grande, Or.

Fire July 27

Dry lumber burned, 25,000,000 feet, valued at \$375,000. Other losses \$45,000, making total estimated losses, \$420,000.

The mill was closed for repairs at time of fire. It opens again on August 4. A dry kiln plant will be built.

Insurances reported are as follows:

American, N. J.	\$20,000
Central, Lon	15,000
Century	6,500
City of New York	6,000
Concordia	7,000
Continental	15,000
Eastern Underwriters	5,000
Excess	25,000
Fidelity-Phenix	5,000
Fire Association	7,500
Generale of Paris	40,000
German American	7,500
Germania	12,500
Gladbach	7,000
Globe Tex	3,500
Ins. Co. of State of Penn	24,000
Liv.-Victoria	15,000
Lumber of N. Y.	40,000
Lumbermen's Ind. Ex	140,000
" " " Series B	60,000
Merchants	10,000
Michigan F. & M.	20,000
National, N. J	10,000
National Union	57,000
Netherlands	10,000
New Jersey	12,000
Nord Deutsche	25,000
North British	27,500
North River	10,000
Northwestern National	20,000
Pacific Underw.	12,000
Prudential, N. H	2,500
Prussian National	10,000
Rochester German	7,500
Stuyvesant	24,000
Union of Paris	18,000
<hr/>	
	\$737,000

Portland, Ore., Loss.—The Multnomah Truck & Bag Co. plant fire cost the insurers

something like these sums: Northwestern Mutual \$10,000, City of New York \$2,500, General, Germania, Hamburg Bremen, Western of Pa., \$2,000 each, Nord Deutsche and the Royal \$1,500 each, National Union, United Firemen's, Stuyvesant \$1,000 each.

U. S. Manager McIlwaine of the London & Lancashire Fire Appoints Sam B. Stoy Manager of Pacific Coast Department

This time it is the expected that has happened, and all the Street is pleased.

United States Manager Archibald G. McIlwaine, Jr., of the London & Lancashire Fire Insurance Company, has been in San Francisco for several days to appoint a successor to Manager James Wyper of the Pacific department, who has resigned to become a vice president of the Hartford Fire Insurance Company.

Today announcement is made that Mr. McIlwaine has selected Mr. Stoy for the position of manager. All along it has been the opinion of the Street that he was the logical successor of Mr. Wyper, and that Manager McIlwaine could not find a better equipped man for the place.

Manager Stoy has been with the company in this field since it absorbed the Anglo-Nevada in 1890.

Queen's City Figures

The Queen of America San Francisco city first half year premiums were incorrectly reported. They should have been \$23,374 instead of \$19,327. This correction makes the Royal-Queen \$92,153.

Lloyd's Not So Shy.—The sum of \$112,785 has been paid the Crocker bank, San Francisco, by the Lloyds underwriters who "covered" the Cashier Baker risk. The amount of the theft is said to have been fully \$200,000. The Crocker bank sent its premium money abroad and took unauthorized insurance. It deserved to be stung.

Agent Not Guilty of Embezzlement

Where a general agent of an insurance company was permitted by the company to deposit in his own name premiums collected and the company knew that the agent represented other companies, and kept the funds of all the companies in his individual account, the agent, failing to account for premiums collected, was not guilty of embezzlement, within a bond conditioned to reimburse the company for loss by embezzlement.—*Dixie Fire Ins. Co. v. Nelson*, 157 S. W. 416.

The Vacation

Man is so constituted, physically and mentally, that he requires a vacation occasionally. It is a change rather than a rest that is needed.

In the daily grind of life, in office, store, factory and home, the same brain-cell groups are employed, to fading weariness not wholly relieved by sleep and diversions. Vacation impairment exceeds avocation restoration. The perfect balance is restored only by a vacation which yields a change of environment and employment.

A true vacation is literally a re-creation, which is effected by the use of different groups of brain-cells and the temporary disuse of others. The city man's most helpful vacation is in the country, and the country man's is in the city. The mental attitude should always be that of play.

Human life too easily falls into a rut and that means a wearing monotony. This fact is especially true of the town and city man, whose work has none of the healthy variety of the country man. The town man lives indoors, and daily goes to and fro along the same tiresome street. It may truly be said of him that his life is without seasons, his nights without stars, his days without a sky.

Variety is recreation. Walk down an unfamiliar street, go into the country, visit another city, and you have the pleasing elements of the unexpected, which are recreative and in the nature of a vacation, lifting out of the rut of routine.

An occasional vacation is essential to the health of mind and body. It is good for the

employee and thereby good for the employer. It is good for the employer and therefore it is good for the employee.

Broker and Cancellation

A broker employed to secure insurance is the agent for the insured, and not for the company.

Where a brokerage agency undertook to cancel insurance and entered upon its undertaking, but was negligent in failing to effect the cancellation, it was liable for the consequential loss to the insurer, though there was no consideration for its undertaking.

An agent employed merely to procure insurance has no implied authority to cancel or to accept an operative notice of cancellation.—*Condon v. Exton-Hall Brokerage & Vessel Agency*, 142 N. Y. S. 548.

Atlas Assurance Company

The annual statement of the Atlas of London furnishes these totals, interpreted in terms of American money:

Assets	\$21,070,905
Life department funds	11,011,640
Fire assets	\$10,059,265
Capital paid up	\$1,320,000
Fire premiums	5,412,200
Fire losses	2,715,805

It was a fine year for the Atlas. The fire loss ratio was less than 51 percent, and after adding something to the reinsurance reserve an underwriting profit of \$635,335 resulted. The increase of funds in all departments was over \$1,000,000. The fire premiums increased \$200,000.

These all are substantial figures, attesting the strength and prosperity of this old London company.

In the United States the Atlas shows growth and favorable net results. Some \$300,000 was added to the U. S. branch assets in 1912. Surplus, reinsurance reserve and premiums increased.

The Pacific department produces fine results, with about a half million income yearly and always a moderate loss ratio. Frank Devlin is the manager and T. H. Palache is the assistant manager.

Insurance Congress

Commissiонер Hathaway writes us:

Please be advised that the National Fire Protection Association has appointed its secretary, Franklin H. Wentworth, as its delegate on the "National Council" of the World's Insurance Congress.

The Association of Life Insurance Medical Directors has appointed Dr. Faneuil S. Weisse, its secretary, to represent that body on the "National Council" of the World's Insurance Congress. Dr. Weisse is medical director of the Mutual Life Insurance Company of New York.

Weight in Life Insurance

Underweight of the young insured carries increased mortality risk, especially if as much as 25 or 30 percent below the average weight for the same age. Up to age 25 the 30 percent below weight has yielded a mortality rate of 141 actual to expected. Overweight mortality ranges up to 193 percent of the expected, and is highest at about age 45. The lowest mortality is experienced among insured somewhat above average weight at the younger ages at entry. This is also true of insured who are below the average weight at the older ages at entry.

The Press

We thought Bob Brannen of Denver was dead years ago, but here comes the American Agency Bulletin with the statement that "Robt. S. Brannen of Denver, the original Association man," sends the suggestion that local agents should now prove to the companies that they "can be underwriters as well as business-getters." In other words, we suppose, can make profitable rates as in Missouri, Texas and Kansas.

The advisory tone of a special article in the London Times was to the effect that the advantage of the sale of the Eagle to the Yorkshire was at least questionable as regards the stockholders, who exchanged the uncalled liability of \$7,555,000 of the Eagle for the uncalled liability of only \$2,505,000 of the Yorkshire. The capital of the Eagle is intact, comments the Times, yet it is pro-

posed to sell all the good will and connexion of the business for 2s. 6d. per share. The business of the Eagle was acquired at a heavy cost, a correspondent says \$1,250,000, yet only \$210,000 was asked. The Eagle, moreover, has had a valuable reinsurance business with American life offices. The Eagle needed only "a first-class man," who, it appears, was not forthcoming. The Times was manifestly opposed to the transfer to the Yorkshire.

P. S.—The deal is off. The Eagle is no bird for a swallow.

English companies, by the way, are too often merely "one man" affairs as regards the directing management. When he proves incompetent, or falls ill, or dies, the directorate and the stockholders are indeed "at sea." They have no compass and a fog envelops their ship. Companies whose plant had a value of a million dollars or much more have been helplessly sacrificed because a manager was not in sight to take the helm and steer safely to port.

In America it is different. Perhaps there are not five one-man companies in the whole country. There is much underwriting talent. Men are selected for secretary and vice-president and managing underwriter with a special view to elevating them to the control or direction of the company when death or resignation requires promotions and the selection of master mind. Indeed, even department managers and directing agents are often selected with this thought as a possibility.

Through an unexplainable error, George J. Arnold, assistant secretary of the American Surety Company, 100 Broadway, New York, has been mentioned in several printed references as secretary of the American Life Convention. Mr. Arnold has no connection with the Life Association, and as he is receiving mail under that title, he wishes a correction made for the benefit of T. W. Blackburn, of Omaha, Neb., the actual secretary of the A. L. C.

The hurrying man is never a thinker.

LOOKING BACKWARD

Twenty Years Ago

The marine companies represented in San Francisco were as follows:

Alliance of London,
 Associated Companies of Germany,
 Boston,
 British & Foreign,
 Canton,
 Chinese Traders,
 Federal of Zurich,
 Fonciere,
 Frankfort,
 Indemnity,
 Inter-National,
 London & Provincial,
 Mannheim,
 Manon,
 Marine,
 Maritime,
 National of London,
 North China,
 Ocean,
 On Tai,
 Reliance,
 Sea,
 Standard,
 Baloise,
 Helvetia General,
 Switzerland,
 Thames & Mersey,
 Trans-Atlantic,
 United of Hong Kong,
 United of Liverpool,
 United States Lloyds,
 Universo,
 Wilhelma, and
 Yang Tsze.

The Pacific Bank of San Francisco failed.

Insurance Commissioner Magill came to San Francisco and examined the State Investment, although the California department had found the company impaired \$40,000. The Michigan man said it had \$3,800 net surplus, and that the California insurance commissioner had been hard on the company. He also examined another California company, which submitted to the examination although it was about to with-

draw from Michigan, as he declared the expense would be a nominal one. Michigan Magill made a bluff at inspecting from figures, presented a bill for \$400, and collected it with his Evans and Sontag gun.

The Coast Review said: "It is not desired to conceal the fact that times are hard on the Pacific Coast. Many men are out of employment."

Governor Altgeld of Illinois vetoed the valued policy bill on the ground that it would encourage incendiarism.

Ransom White assumed sole charge of the Equitable Life in San Francisco.

The Coast Review was again working hard to establish the Life Underwriters Association of the Pacific Coast.

The Home Benefit Life Association, with long unsettled death claims, was investigated and approved by the California insurance commissioner, J. N. E. Wilson, who pronounced it solvent, but soon thereafter the association reinsured in the Mutual Benefit Life Association of New York.

William Nutley was a victim of Richard Hines of Kansas and Utah, etc.

Allen resigned the presidency of the Home Benefit and was succeeded by one McKenna.

The Order of United Friends received uncomplimentary mention in the Coast Review. Do you remember the little humbugging fraternal?

It was said that the world's fair at Chicago was hurting the life insurance business.

E. B. Whitney was arrested in San Francisco, charged with embezzlement, brought by Jas. R. Garniss.

The Western of Toronto increased its capital to \$1,000,000.

The Queen was amalgamated with the Royal.

The Home and Phoenix, then represented by A. E. Magill, moved into offices on the first floor of the new Mutual Life building in San Francisco.

Balfour-Guthrie general agency took the ground floor in the new Mutual Life building in San Francisco.

FIRE AND MARINE INSURANCE

Marine Insurance Business in Washington in 1912

Companies	Net Written	Net Prems.	Losses Inc.
Ætna	\$ 1,399,893	\$ 19,756	\$ 6,884
Alliance, Pa.	492,633	6,701	2,421
Boston	653,303	17,939	13,897
British & F.	2,968,023	13,900	1,010
Canton	4,596,364	23,952	. . .
Comm'l Union	384,547	10,730	943
Continental	61,975	1,421	295
Federal	8,077,278	7,952	3,635
Fidelity-Phenix.	57,725	1,352	295
Fireman's Fund	18,911,306	102,957	29,296
Hartford	341,665	10,722	6,808
Home	50,327	7,518	2,971
Indemnity M.	5,528	147	. . .
Ins. Co. N. Amer	3,245,520	40,546	23,684
Marine	789,350	4,637	1,229
Old Colony	210,137	5,038	3,246
Phoenix Assur.	188,216	1,900	. . .
Queen	236,840	5,350	1,568
Royal Exchange	47,015	1,123	15
Royal	845,281	12,410	5,477
Standard	3,113,308	14,588	1,000
St. Paul F. & M.	5,279,605	27,215	8,509
Subs. at U. S. L.	473,958	4,257	463
Switzerland Gen.	3,086,402	13,474	1,241
Thames & M.	5,490,832	33,463	7,250
Union M.	484,880	7,332	. . .
Western Assur.	938,411	5,112	656
Yangtze	3,204,727	24,488	8,231
	\$65,635,049	\$425,982	\$131,022

The above is compiled from the Washington Insurance Department Report.

American Fire Insurance

Some Make Money and Some Lose It

The Central Canada Manufacturers of Toronto spent 80 percent of its premiums for losses, and the Factories of the same city did little better.

The Western Assurance has been doing well with 40 percent losses in Canada, where the general average last year was 51.

The Lumber of New York, now eight years young, has for the past five years, as shown in our Pacific Fire Chart, disbursed every year more than its income. Its income in this time was \$1,888,285 but its expenditures were \$1,973,832, or nearly a hundred thousand more than the receipts.

The State Assurance is making money in the underwriting department in this country. Its reinsurance reserve increases every year.

In the past three years the Royal Exchange has made substantial underwriting profits in its United States branch and large gains in new business and in reinsurance reserve.

The Western Assurance in this country is now making good on the underwriting account. Premiums last year increased over \$106,000.

In the past few years the Phoenix of London has been adding to its American assets, surplus and reinsurance reserve. In five years expenses and losses have left a good underwriting profit.

The Michigan Commercial shows the extraordinary loss ratio of 126 percent. This is a clean and well managed company, but it reinsured much of its business, and this accounts for its high loss ratio, the losses being met out of a premium income cut in two.

The general agent of the Reliance informs us that the poor showing made by this company, as mentioned in this department, was due to its reinsurance deal. The company has a good reputation and will doubtless make its former time good showing soon.

The American Central, in its annual statement, showed a considerable decline in net surplus, but this was due to the large increase in business and consequent increase in the unearned premium liability. This company is making money.

The German-American reinsurance reserve runs close to the premium income, sometimes just a little less, sometimes a little more. This company has certainly "got that habit" of making a handsome underwriting profit. Can you beat it? Premiums, income and reserve have the increase habit too.

The Atlas very generally turns out an underwriting profit in the United States. Income regularly exceeds expenditures.

The Prussian National is steadily making money on the underwriting account in this country. The reinsurance reserve, which increases with great regularity, is larger than the premium income.

TWELVE YEARS CALIFORNIA FIRE BUSINESS

ACTUAL DEFICIT ABOUT \$130,000,000

Year	Amount Written	Premium Rate	Premiums Received	Losses Paid	Ratio Losses	San Francisco Premiums
1912	\$1,043,436,536	\$1.50	\$ 16,151,639	\$ 5,456,006	33.8	\$4,167,165
1911	1,009,967,944	1.50	16,048,108	4,508,843	28.1	4,688,040
1910	948,387,993	1.60	15,874,207	5,689,293	35.8	4,979,653
1909	851,331,595	1.70	15,104,194	5,757,915	38.1	4,808,790
1908	722,430,710	2.00	14,506,144	5,228,303	36.4	4,862,793
1907	767,000,147	2.10	16,571,293	6,626,599	40.0	5,725,424
1906	666,676,445	1.90	13,248,323	150,372,480	1,135.1	4,326,122
1905	658,054,793	1.50	10,283,242	3,871,404	37.7	2,988,842
1904	680,910,571	1.40	10,163,440	3,836,126	37.7	3,141,880
1903	524,551,603	1.50	8,292,803	4,360,921	52.5	2,481,585
1902	482,908,036	1.50	7,360,222	2,686,087	37.6	2,244,956
1901	530,614,567	1.40	7,669,882	2,394,541	21.3	2,455,223
Totals	\$8,886,270,940	1.70	\$151,273,497	\$200,788,518	132.9	
Non-reporting companies retired in 1906				20,000,000		
12 years' Grand Totals			\$151,273,497	\$220,788,518	146.0	

Companies whose figures do not appear in the 1906 line paid something more than \$20,000,000 San Francisco conflagration losses, and not in full either. Their city premiums did not make a large total.

The total of conflagration losses paid appears to have been about \$165,000,000.

In 1906 and afterward the premiums from San Francisco were large because of the higher rates and more general insurance due to the unusual fire hazard of a city of shacks and mercantile frames.

The average rate of premium in California is now as low as it was in 1905 or other previous year in which no unusual amount of term business was written.

Expenses, commissions, fees and taxes amount to at least 40 percent of the premiums. Commissions are in lieu or in addition to salaries. Agents and brokers are indispensable, and if not compensated by commission would necessarily be employed on salary.

12 years' taxes and expenses	\$ 60,000,000
12 years' losses paid	220,788,518
Total expenditures in California	\$280,788,518
Total premium income in California	151,273,497
12 years' deficit in California	129,515,021
Percentage of outgo to income	185.6

In the past 12 years the fire insurance companies, the retired and the surviving, did business in California at a loss of 130 million dollars.

Niagara Fire Insurance Company

This is an old company as we measure ages in this young country. The Niagara Fire is nearing its 64th year. Its annual statement figures, however, are steadily advancing. Excepting 1906, there is uniformly an underwriting profit. Steady gains in reinsurance reserve are made, and as the loss ratios are moderate, it is evident that much new and desirable business is being written.

The cash capital is \$1,000,000, the net surplus is \$2,664,392, the premium income in 1912 was \$3,174,564, and the reinsurance reserve is nearly as much. The assets in round numbers, amount to \$7,000,000.

The Detroit F. & M. is 47 years old, with \$500,000 capital, \$1,049,445 net surplus and \$2,194,259 assets.

The Niagara-Detroit Underwriters of the Niagara's Coast department, is composed of the Niagara Fire, Detroit F. & M. and Michigan F. & M. The joint capital is \$1,900,000, the net surplus is over \$4,000,000, and the policyholders' surplus is in round numbers \$6,000,000. The combined assets are \$10,661,489. The headquarters of the combination are in New York city.

The new Pacific Coast department has very desirable offices at 334 Pine street, San Francisco, with a second entrance on Leidesdorff street. Edwin Parrish is the manager. He has had many years' experience in Coast underwriting. In the first year of the department he wrote \$542,070 premiums, with a moderate loss ratio. This was all direct business, whereas formerly much of the business of the companies was reinsurance.

Recently we have had a new feature in this book, wherein the reviews of companies' statements have made special reference to losses on the underwriting account. Of course, a company may lose money thus and still make a net profit through its investments of capital and reserves and surplus; but we now learn that some of the suffering companies object to this entirely legitimate reference to underwriting losses. Strange! What do you think, reader beloved as long

as you pay your subscription account? Shall we continue to print this evidence that fire underwriting is not all beer and skittles, which same means nine-pins? Or let you do your own analyzing of the Coast Review fire-chart figures? Certainly, the public which insures should be advised that many insurers are unable to make an underwriting profit at the present premium rates.

Shipping Strikes Expenses Not Within the Scope of Marine Underwriting

In London it is proposed to cover by insurance the expenses incurred in connection with shipping strikes. A letter by H. T. Hines of the Royal Exchange Assurance, as chairman of the Institute of London Underwriters, to the International Shipping Federation, says the conclusion has been reached that it is practically impossible to agree to the proposal that underwriters shall share by means of general average in the risks of strike expenses. Marine underwriters have adopted the attitude that these risks are not perils of the sea, and are therefore not within the scope of ordinary marine underwriting. The letter, however, intimates that separate insurance specially covering these risks may be effected at rates mutually agreed on by underwriters and shipowners.

Red Light Districts a Worse "Moral" Hazard in Several States

The enactment of so-called "red light abatement" laws in California and Washington and other states have certainly had a bad "moral" effect as regards the fire hazard of insured property in the present "segregated" districts. The "house-owners" must scatter, and many must, temporarily at least, find it more profitable to sell out to the insurer. It is a curious fact that, generally, the "moral" hazard of these immoral risks is good. In California this new law will be submitted to a referendum vote this autumn because the law carries with it a very serious liability for all renting landlords in the "scattered" districts. They may, with the utmost innocence, and with entire ignorance, lay themselves liable to heavy penalties.

INSURANCE OF ALL KINDS

Miller Elected President of Pacific Coast Casualty

Thomas L. Miller, president of the West Coast Life Ins. Co., has been elected president of the Pacific Coast Casualty Co., to succeed E. F. Green, who resigned under pressure. Mr. Miller is one of the new owners.

C. P. Jones was elected assistant secretary.

No Negotiations for the Consolidation of Two California Life Companies

August 19th, 1913

General Adna R. Chaffee, President,
E. H. Bacon, Editor Coast Review,
1193 Merchants Exchange Building,
San Francisco, Cal.

Dear Sir—

Your information is erroneous—absolutely no negotiations pending looking to the absorption of the Great Republic Life Insurance Company by the Western States Life.

Adna R. Chaffee.

Steamship Wrecked

Juneau, Aug 18.—The P. C. S. Co. iron steamer State of California struck an uncharted rock in Alaskan waters 90 miles from this city early in the morning of the 17th inst. The ship was going at full speed, and it sank in three minutes. Many of the passengers perished in their staterooms. It is believed that 32 passengers and members of the crew lost their lives. Eighty survivors were able to get into lifeboats—liferrafts. The steamer was a Cramp, built in 1879, and was of 2,276 gross tonnage. Gambier bay, where the casualty happened, is dangerous water, especially for big ships, and is said never to have been officially surveyed. It is only recently that this bay has been navigated by large vessels. The State of California had just steamed away from the cannery of the Admiralty Trading Co. The wreck loss is estimated at \$200,000.

New State Insurance Reports

Connecticut—Secret or Fraternal societies.
New York—Casualty, Credit and Title Companies.

31st Colorado—All Classes of Companies. S. Epsteen, Commissioner. This is a book of 1572 pages.

Another Merger

The Nassau and Dutchess will be absorbed by the Williamsburg City, probably by October 1.

Farewell Dinner

The fire underwriters of San Francisco give a farewell dinner to Whitney Palache and James Wyper, vice presidents of the Hartford Fire, on the evening of August 28. The committee in charge were C. C. Kinney, Rolla V. Watt, Frank J. Devlin, Wm. J. Dutton, R. W. Osborn.

They Do Things Better in La Belle Frawnce

An alleged doctor, said to be from California, lived in Nancy, France, and then swiftly and silently sped to Germany. Next day his insured house burned. The official guardians found a lot of oilcans in the debris. The doctor under an assumed name came swiftly back to Nancy, of his own volition, he said. The court thereupon sent him to prison for 20 years for arson.

Automobile Insurance Decision

An automobile, insured for damages caused solely by collision with another object, the policy excluding damages from striking any portion of the roadbed, on being driven down a roadway skidded, so that the rear wheels were thrust across a granitoid guttering and a grass plat, against a sidewalk. Held, the guttering and sidewalk were not a portion of the roadbed within the meaning of the policy sued on.—Stix v. Travelers' Indemnity Co. of Hartford, Conn., 157 S. W. 870.

Some life insurance men look so sad that they should never allow their portraits to appear in print, lest thereby the business should be hurt.

CHIPS

—The Arizona Fire now has a new managing underwriter, Edg. M. Davis of St. Louis.

—Los Angeles.—R. P. Archer, secretary of the Ins. Agcy. Co., and father of R. T. Archer, is dead.

—The Netherlands has entered California as a non-board company, to operate with the Prussian National.

—The Franklin, represented here by T. J. A. Tiedemann, has ceased writing business outside of its home city.

—St Paul.—District court decides that a newspaper proprietor may refuse to publish an objectionable advertisement, though offered under yearly contract.

—Foreign companies general no longer file their home office statements with the California state insurance department. However, they file them with the Montana and the New York departments.

—Field Men's Notes.—P. W. Lord is not now with Wayman and Henry. At Denver the Milwaukee Mechanics has appointed H. F. Avery state agent for "Colowynem" and Arizona. At Bozeman, Mont., C. E. Dunlop will represent the Edward E. Potter companies.

—Brokers.—The Connecticut insurance commissioner, Burton Mansfield, has notified brokers that they are not authorized to place insurance direct with authorized companies of other states but must deal direct with the agents of those companies residing in Connecticut.

—The fire cases in our very best Legal Digest this number are of more than ordinary interest. Two federal decisions are Pacific Coast cases. Concurrent insurance is dealt with in a great and illuminating length. It was held that marine policies on the same risk are also concurrent. Continuous clear space clause was breached but it was waived by knowledge of barn within the space. Cancellation is ruled on to the effect that the policy remains in force five full days after receipt of cancellation notice, though it limited it to one day only. Tender of unearned premium may be waived by insured's conduct.

—The San Francisco Life's \$100,000 club meets at the home office next month.

—The Pacific Surety Co. of San Francisco writes accident and health, plate glass, employers' liability and workmen's compensation business. This company is twenty-eight years old.

—Another Good Man Gone Wrong.—Henry P. Platt, cashier of the Pacific Title Ins. Co., S. F., confessed to embezzling \$30,000, with which he made \$70,000 in real estate speculations. The moral is obvious.

—Sixteen European countries have workmen's compulsory insurance. Four—Germany, Austria, Hungary and Luxemburg—have no state contribution. In the three latter countries the employers are not required to contribute. The German workman may receive benefits up to two-thirds his wages. In Great Britain the workman has no claim if the accident is due to his own carelessness.

—Assessment and Insurance.—A Chicago small clothier objected to an assessment of \$1,000 on his stock. He went before the board of review and protested. "What have you got out there?" was asked. "Oh, \$50 would cover everything." "What insurance do you carry?" "One thousand dollars." The assessment was then confirmed, which leads us to say that there should always be some fair relation between a tax assessment and the insurance permitted. The assessment for taxes is supposed to be for a sum equal to about what the property would sell for at forced sale.

—When plaintiff boarded a street car, it seemed to be full. He stood for a few seconds on the running board at about the middle of the right side, and then walked slowly and carefully along the running board while the car was in motion toward a vacant place which he saw in the second seat from the front, and with one hand on one stanchion and the other hand on another was in the act of stepping into the car to take the seat when he was thrown therefrom. Held, that he was not negligent as a matter of law in walking along the running board under such circumstances.—101 N. E. Rep. 1073.

—Manager Hathaway of the Mutual Life will soon make an extended trip through the East.

—50 Years With the Manhattan. —Next April Manager John Landers will have been with the Manhattan Life a half a century. He will celebrate the event.

—Portland.—As becomes a life insurance man, Mayor Albee is Johnnyonthespot in the limelight, with an order to arrest every woman who does not wear petticoats.

—Surety.—The Pacific Coast Casualty Co. has caused the arrest of S. W. Scott, railway agt., at Oroville, Cal., on a charge of embezzlement. He will not be allowed to go scot free if short in his accounts as alleged.

—Extension of Credit for Premium.—A general agent of an insurance company, even though in violation of the rules and regulations of his principal, may give credit for premiums.—State Mut. Fire Ins. Co. v. Taylor, 157 S. W. 950.

—Clarence M. Smith, who visited Europe as a representative of the Insurance Congress, has returned. Being a banker also, he made something of a study of banking methods and money-lending practices in the Old World. Mr. Smith thinks this country has much to learn of the Europeans in these matters.

—Indemnity Decision.—Under an indemnity insurance policy providing that the insurer should be liable only for actual payments by the assured, an injured person, who obtained an unpaid judgment against the assured, a bankrupt corporation was not entitled to be subrogated to any right of action against the insurer under the policy.—87 A. 623.

—Automobile. — A misrepresentation by assured will not affect the validity of the policy unless it is material to the risk or by the terms of the application and policy it has become an affirmative warranty.—Where insured warranted that the automobile was new when purchased and that it had cost him a certain sum, both of which statements were false, held that the falsity avoided the policy.—Miller v. Commercial Union Assur. Co., 125 P. 782. (Wash.)

—Ins. Com. Willard Done of Utah was elected first vice president of the Insurance Commissioners' Convention for the ensuing year.

—The Union Marine, belonging to the Phoenix Assurance of London, has been granted power to write every kind of insurance but life.

—General Agent C. A. Henry, who has returned from an Eastern trip, says there is much complaint of excessive fire losses in the Middle West.

—Leipzig, Germany, has a Teutonia, with \$33,000,000 assets, life and accident. The Thuringia of Erfurt, which retired from California before the great fire, has 87,676,642 marks assets, of which 7,200,000 m. total is unpaid capital. A mark is about 25 cents. In Stettin there is a Germania Life with \$103,000,000 assets.

—Marine.—Some of the principal marine companies of France did business as follows, as reported in L'Argus:

	Premis. Fr.	Losses Fr.
Assur. Generales	4,092,249	3,048,058
Comptoir Mar.	1,893,333	1,439,753
Sphere	1,209,352	868,609
Fonciere	10,342,009	6,675,234
Minerve	1,907,848	1,391,881

—The Panama-Pacific International Exposition now has its own ferry slips, its own railroad tracks and its own wharves. The new freight ferry slip at the foot of Buchanan street is now in operation and car floats and lighters are daily using the slip. The cars are now run ashore on the new standard gauge tracks of the exposition's railroad system.

—Marine.—The effect of a rider attached by the insurer to a marine insurance policy, containing a clause that "the terms and conditions of this form are to be regarded as substituted for those of the policy to which it is attached, the latter being hereby waived," is to displace all the terms of the policy, leaving only the formal parts, and substitute those of the rider.—New York & P. R. S. S. Co. v. Aetna Ins. Co., 204 F. 255.

—Accident.—In an action on an accident policy, evidence that blood was found on the corner of a brick near the door of deceased's residence, where he was found in a dying condition with a bruise on the back of his head and blood on his person, was admissible to show that he died from external, violent and accidental means.—General Accident Fire & Life Ins. Co. v. Shields, 62 So. 400.

—Life.—Provisions of a policy of life insurance for nonforfeiture and of a loan agreement construed, and held not to entitle the insurance company to the payment of a loan out of independent funds of the insured, but on insured's death it was required to apply the reserve apportionable to the policy to the payment of the loan and to the purchase of extended insurance.—Stratton's Adm'r v. New York Life Ins. Co., 78 S. E. 636.

—The late Wm. Clayton was a very efficient insurance commissioner (Colorado), who diligently fought fake insurance. At one time he was a wealthy man. The new civil service law, whereby, as in China, the office went to the man whose examination points numbered nearest 100, was Clayton's final undoing. He felt that he had been deprived of his due reward for excellent service to the state and loyal work for his party. No longer interested in business nor politics, Clayton turned his face to the wall—and then turned on the gas. Was he a coward—or a wise man?

—Accident Decision.—Where insured, in an accident policy insuring against bodily injuries through external, violent, and accidental means, occupied, while delirious from typhoid fever, a room with a single window, below which was a balcony with a protecting rail, and after being left alone momentarily he was found on the ground under the room with fatal injuries, the court could not rule as a matter of law that there could be no recovery.—Bohaker v. Travelers' Ins. Co. 102 N. E. 342. The court could not in such case, as a matter of law, rule that his death was not effected directly and independently of all other causes through accidental means.—Id.

—The Ocean Accident & G. will soon appoint a general agent for California.

—Los Angeles.—The organization of the California Surety & Casualty Co. has been abandoned.

—Liability Reserve.—After January 1 California, by a new law, requires a liability loss reserve of 70 percent on the earned premium. Two years later this percentage increases to 75.

—Bars National Surety.—This company having declined to pay a bond issued by the reinsured Empire State, the Minnesota state comptroller will not approve any bond issued by the National Surety.

—Olympia.—In some unaccountable manner the amendment to section 194 was overlooked when the amended edition of the Washington insurance code was published by the state insurance department.

—Life.—From London comes a report that the British stockholders of the Union Life of Canada, who now believe they will recover nothing from the wreck, may begin suits against the directors of the company collectively and individually. The National Agency Co. guaranteed a dividend for three years. British investors sunk \$600,000 in this venture.

—Principal and Surety.—A contract to convey land to one who was to erect houses on two lots therein, and reconvey them to the vendors free of all incumbrances, is not so changed as to release the surety on the bond conditioned for the vendee's faithful performance of the contract by an arrangement by which the lots were reserved from the conveyance to save expense of reconveyance.—33 S. Ct. 879.

—Foreign-born people in U. S. A. number 14,150,000, or 14.5 percent of total. The British Empire has the greatest number of representatives—4,860,000. Germany is next with 2,650,000. There are more Russians than Irishmen, whose numbers are equaled by the Italians. The British born are about 100,000 less than the Irish born. The Scandinavians just equal the Britishers. The percentage of the foreign-born population is steadily decreasing.

—Didn't you receive a Coast Review Fire Chart 1913? No? Let us know now.

—New parcel post rates August 15: Twenty pounds limit then in the 150 mile radius, at a cost of 24 cents.

—It Is to Laugh.—The Insurance Press classifies as a "fire defenseless community" San Jose, Cal., a city of about 40,000 population. According to this New York weekly it is without waterworks or fire department. San Francisco is credited with 5 "conflagrations" within the year.

—Ocean Park, Cal.—He was mad; he was resolved; he was sure; like Kelly was—this Mike, who put up signs, posting names of those companies which paid his claims, and those which didn't. And at last the National Ben Franklin and the United Firemen's came through, with full payment and something for interest and attorney's fees:

—In insurance, so-called "guaranty funds," mere subscriptions by Tom, Dick and Harry, have always proved very insubstantial when tested by failure and the receivers' suits. We gave a sample on page 269 of our next previous issue. It took five years of court proceedings to prove to the subscribers that their subscriptions were no jokes. Now that final judgment has been rendered before the receiver it remains to be seen how much or how little he can collect at this late day.

—Standard Time.—The United States, by agreement, is divided into four time sections of 15 degrees, extending from 65 to 125 d. west long. The fourth (Pacific) section extends irregularly, say from Salt Lake City west; the third is mountain time, covering an irregular line eastward to a line running south and southeast from Bismark, N. D. Noon time is 12 o'clock meridian, as indicated by a sun dial. The sidereal day and the mean solar day differ by nearly four minutes. Solar and standard noon vary little or much according to the place. Noon originally meant the ninth hour of the day time, or 3 o'clock, which was among the ancient Romans the dinner hour. Hence noon means the eating hour. When it is 10 a. m. at San Francisco it is noon standard time at Denver, though the line is east.

—Texas has 17 life insurance companies and 6 fire.

—The Columbian National Life's district manager at San Francisco, Sam N. Levy, has resigned.

—But He Didn't Send Us One.—Pres. Porter of the Western States Life sends out a circular reprinting Ins. Commissioner E. C. Cooper's laudatory letter. We note with sorrow that the accompanying figures do not include the company's languishing net surplus.

—San Jose, Cal.—Efforts are being made to collect a \$32,000 judgment against Fred B. Lloyd in favor of the Pacific Slopes Co., of which he was president jointly with the Western Casualty Co. The \$32,000 is half the sum "appropriated" by the notorious Otto L. Van Laningham in the Pacific Slopes deal.

—Life.—The regular monthly meeting of the Life Underwriters Association of San Francisco will be held at Hotel Stewart on Thursday evening, August 21, 1913, at 5:30 p. m. sharp. This will be an important meeting owing to the fact that delegates to the National convention to be held at Atlantic City in September are to be elected, and other matters of importance transacted.

—The Great Republic Life Ins. Co. of Los Angeles reports four months' business as 316 policies written, covering \$1,111,000; receipts \$56,414; expenditures, \$51,019. On February 7, when licensed, the assets were \$788,032, viz.: capital, \$500,000; surplus, \$288,032. President Chaffee says the book value of the stock is one and a half par. The book value of the Western States Life is scarcely more than one par, after sinking nearly a million of surplus.

—The Continental Life & Accident Insurance Co. and the Continental Fire & Marine Insurance Co., both of San Francisco (in somebody's mind), were floating about, some twelve months ago. But they sailed into Dreamland and Ira A. Manning, a professional promoter, hid behind a knothole. There was also the Standard Life Ins. Co. in the air, but the coolness of San Francisco appears to have dampened the ardor of the promoters, though some stock was sold.

—Life.—If a life policy is delivered and the premium paid to insurer's agent, the insurer is not relieved from liability merely because the agent failed to remit the premium.—Citizens' Nat. Life Ins. Co. v. Ragan, 78 S. E. 683.

—The Armenian business in Fresno county, Cal., is not considered desirable. Some offices have recently canceled all Armenian business. Recently several Armenian risks in Fresno burned. Sicilian risks in Santa Clara county, Cal., are said to be even worse than the Armenian risks.

—Intemperance.—The word's "intemperate habit," as used in an accident policy, merely means the use of intoxicants to excess, that is, with considerable frequency and to an apparent degree, and it was erroneous to instruct that the word "habit" implied regularity.—Andrews v. United States Casualty Co., 142 N. W. 487.

—Homicide—Accident.—An accident insurance policy, excluding recovery for death from injury "intentionally inflicted" or resulting from any act which, if done by assured while in possession of all mental faculties, would be deemed intentional or self-inflicted, did not include death by homicide.—Andrews v. United States Casualty Co., 142 N. W. 487.

—Here is the way the Review of London refers to the Equitable Life Assurance Society of the United States: "To thoroughly comprehend the true position occupied in the world of insurance by the above gigantic institution one must be endowed not only with a capacity for assimilating enormous figures, but know something of the correct perspective when trying to realize the vast good being done year in and year out by its agency. We need only refer to the colossal sum paid to the policyholders or their beneficiaries to demonstrate that this office has done a splendid work for the civilized world. As an institution for the encouragement of thrift, it has already left an indelible mark upon history, and future generations will have cause to revere the memory of those who established such a beneficent organization on lines so sound and successful."

—Well, at least, Missouri has learned a needed lesson.

—J. B. Mackie will accept our thanks for valuable press clippings.

—Texas.—W. W. Collier is now insurance commissioner. He is a banker.

—West Virginia.—The Phoenix of Hartford has reinsured the Home Fire of Wheeling.

—The Hawkeye Underwriters' policies are being replaced by Fireman's Fund policies.

—The fire brigade had a hard job the other day; a waterproof factory caught fire.—John Bull.

—Eight years ago the San Francisco fire department cost \$884,250. This year the cost is \$1,756,900. The general budget and taxes have doubled.

—On page 92 of our second ad section we print five-years' comparative figures from home office statements of the North British & Mercantile Ins. Co.

—In 1880 the net surplus of the Fireman's Fund was \$153,172. On January 1st it was \$3,104,730. Thirty-three years ago the assets were \$741,488; now they are nearly \$10,000,000.

—Liverpool has "The Liverpool and London and Globe Athletic Club." At the recent "sports meeting" the events included "flat races," a hurdle race, a three-legged race, putting the weight and a "boom pillow fight."

—On September 15 R. M. Bissell, formerly of the Western general agency, and now vice president, becomes the seventh president of the Hartford Fire Ins. Co. He is a native of Chicago and is 51 years old. His success as general agent in the Middle West is good evidence of like success in the presidency of the company.

—State Premium Tax Decision.—Under general license law (Acts 1898, No. 171) a fire insurance company owes but one license, based on the total gross annual premiums for the preceding year; and hence the state tax collector cannot demand a license for each kind of property insurance carried on by the company.—State ex rel. Hartford Fire Ins. Co. v. Fitzpatrick, 62 So. 494.

—Accident companies may cut automobile accident benefits in two.

—Defective flues caused 17 percent of the dwelling fires in Texas. This defect causes the aeroplane accidents too.

—The Fidelity & Phenix reports for July 1 \$14,306,862 assets and \$3,620,982 net surplus. The unearned premium reserve has increased notably, indicating the increase of new business.

—If contracting parties to insurance policy make a mistake in the name of insured, equity has jurisdiction to correct the mistake.—*Dearborn v. Niagara Fire Ins. Co. of City of New York*, 125 P. 606. (N. M.)

—Marine.—The Dutch str. *Krakatan*, conveyed by the salvage str. *Danmark*, has passed through the Suez canal. The *Krakatan* is a new ship which went ashore last month near Jeddah. Twenty percent was at one time quoted for "reinsurance."

—Marine.—London, July 28. Additional rates are being quoted in the "reinsurance market" on—

America, from Astoria, March 3.

Lusanga, ashore, Congo river.

Skien, ashore, Celebes islands.

Klio, Talcahuana, May 12.

—Automobile Accident.—Jesse S. Andrews, formerly for years with Edward Brown & Sons in San Francisco, drove an automobile into a "dead" car at the roadside at night and his machine turned over into the ditch. One passenger was killed outright, and Andrews' skull was fractured and he may die.

—The Rhein & Mosel, which settled most of its San Francisco losses at 25 or 30 cents on the dollar, is still in existence in Strassburg. Its reinsurer was the Helvetia Swiss. We have been informed that some of the closing claims were settled at 75 cents on the dollar. The nearly \$3,000,000 assets in the statement includes \$900,000 unpaid capital, which did not seem to be of much sound value in 1906. The Helvetia, we were told, carried 90 percent of the Coast risks as reinsurer, and designed to return here as soon as its liabilities in the East expired and the New York deposit was released. Neither company will now "come back."

—The Oregon Fire Relief Assn. has \$244,916 assets, with \$145,973 surplus.

—Charles E. Chase, who ceases to be president of the Hartford Fire on September 15, has ably filled the office since January, 1908. He succeeded his father, Geo. L. Chase. President Chase retires because of ill health, but he remains officially with the company as chairman of the board of directors.

—Colorado.—Commissioner Epstein rules that no person not licensed can legally receive an insurance commission. Contracts must all be made through resident agents, and a resident agent must approve every risk and receive a commission thereon. No policy may be signed in blank. The license fee is \$25.

—At the recent National Convention of Insurance Commissioners Joseph Button of Virginia read a paper on underwriters' agencies. Originally such agencies were useful, he said, because they divided losses in new and unfamiliar territory and also divided the larger initial expenses. Later such agencies came to serve less commendable purposes, such as increased business and the evasion of single agency provisions. In time these agencies, generally, became a menace because they led to the assumption of excessive liabilities. Mr. Button said: "That the insured may lose you will agree if you will reflect on the recent downfall of a well known Eastern company, which was the sole guarantor of an underwriters' agency which wrote more business than the company itself. Bankruptcy followed as a matter of course." Mr. Button thinks underwriters' agencies cannot incorporate. He also thinks that a law requiring underwriters' policies to be guaranteed by two companies would be of only nominal value. But he approves a proposed law making every underwriters' policy to be exactly the same as that of the parent company, being in its own name. Such a law he believes would kill these annexes. We do not agree with him, nor when he says the insurance department gives a false sense of security when it authorizes an underwriters' agency, which gives better security than either guarantor alone.

—Montesano, Wash.—M. D. Calder has removed to Seattle.

—Looks like \$30,000,000 new life business for the Pacific Mutual this year.

—The Mexicanization of the United States seems begun—first in Missouri, then in New York, and now in the tailor shops, where our young men's trouser-legs are being slit a la Mexicana.

—The Vancouver Island Fire Underwriters' Association has appointed R. W. Douglas, of Messrs. Tracksell & Douglas, Victoria, B. C., to represent it on the "National Council" of the World's Insurance Congress.

—The Mutual Life of New York has recently paid death claims as follows:

San Francisco—Fred P. Stone	\$ 3,141
Pasadena—F. W. Adams	3,830
Palo Alto—W. D. Tobey	11,475
Napa—Herman Schwarz	5,000
Clayton, N. M.—Claus Schuter	13,199
Portland—E. W. Crichton	10,035
For 4 weeks ending July 19, \$1,040,305.	

—A contract by a mortgagor or purchaser under a conditional sale contract to provide insurance as additional security, although he has violated it by taking the insurance in his own name, will be given effect in equity through a lien against the proceeds of the insurance after a loss.—In re Zitron, 203 F. 79.

—It seems to us that organized locals have made "a sad mess" of it—not because they are organized but because as an organization they do not co-operate with their principals. The companies appear to be regarded as enemies and not as partners. We are thinking of the Missouri situation. Some few years ago the organized locals of that unhappy state pushed the state-rating bills to a successful finish; and the direct result of that law is the Orr law which caused every decent, solvent non-resident company to cease writing in Missouri. The locals who favored rating by the state are now without any income from insurance. The irony of fate indeed, for it was to prevent a rate-war and loss of income that the Missouri locals worked for and championed ratings by the state.

—The Insurance Herald of Atlanta has completed its first quarter century and it looks fit for another quarter.

—There will be 288 Fair days in San Francisco in 1915. The directors positively refuse to allow an earthquake to be exhibited.

—Rather an original man is J. H. Ankele, and enterprising too. On his office door he advertises "Dollar for Dollar Above Board Companies."

—Gorham Dana, manager of the underwriters' Bureau of New England, now represents that body on the National Council of the World's Insurance Congress.

—In London Rand riot insurance rate is 10s percent for one month on surface mining property, while on dwellings in Johannesburg rates are quoted for longer periods. On business premises, food places excepted, as high as £2 percent a month is quoted. Heavy orders for a year's riot insurance come from Belfast. We are nearing the need for riot insurance in this country, too.

—In California, too, the organized locals got behind the state-rating bill. They had a state-rating bill as a substitute for a crazy and impossible bill which would have forced the retirement of all non-resident solvent companies, as in Missouri. The situation was serious. It was necessary to defeat, if possible, the state-rating bill which would have put an end to underwriters' organizations, not only in California but elsewhere on this Coast. Hard, legitimate work was done. Local agents of the better and influential sort helped. But the California association of local agents, which had been supporting the obnoxious bill, did nothing and said nothing. It did not say, through its executive committee, as it might, "this Kehoe bill, further evidence indicates, has not been framed in the interest of property owners and local agents and it should be defeated." There was no co-operation with the companies. As an organization, the locals favored state-rating because they fancied it would prevent competition and a possible rate-war and make their commission income safe. Agents who read the insurance press knew better.

—Geo. M. Mitchell, a San Francisco insurance man, has been re-elected vice president of the San Francisco Society for the Prevention of Cruelty to Animals.

—The Tillicums, who are Nor'westers, gave Manager Sam Stoy of the London & Lancashire Fire a complimentary dinner, a few evenings ago, at the Tait-Zinkand. These Tillicums have a way of "arriving."

—This is the way the Oregonian tells it: Songshop Has Fire.—Spontaneous combustion in a pile of the latest ragtime music in the Songshop at Sixth and Washington streets yesterday caused a small fire. The fire department rushed to the scene and put the blaze out with chemicals.

—San Francisco's prized "temporary" wooden buildings, erected contrary to law in the fire limits in 1906, now number only 152. The board of public works wont allow these venerable landmarks removed without a special permit. A number will be preserved for exhibition at the world's fair in 1915.

—In San Francisco non-board offices are writing a very large share of the new apartment houses, at a deep cut in the rate. By the way, the banks are refusing to lend money for the construction of new apartment houses. The bankers say there are too many of them now. To these joint-houses is attributed the extraordinary number of vacant houses and flats in the city at this time.

—Honolulu.—In this city is the champion local board of fire underwriters of the world. This is the cordial testimony of every visiting fire underwriter from the Mainland. There is no friction. Manager Gurrey has the confidence and goodwill of everybody. He is a very efficient and impartial administrator. There are no complaints and never any need of a "grievance committee." There are no "bad practices." The business of the Islands is "clean" and satisfactory. Losses are light as long as no big plant fire or conflagration occurs but rates are based on the probability of the one and the possibility of the other; and rates and rules are adhered to most loyally. As long as there is a Gurrey there'll be no worry.

—The Pacific Mutual is now collecting accident premiums at the rate of \$2,000,000 a year.

—In the United Kingdom in ten years there was killed in train accidents, on the average, one passenger in every 65,000,000 journeys, and one injured in every 2,100,000.

—Life.—The Bankers Life of Des Moines wrote in the first half year more than \$35,000,000. The deposits of the company with the Iowa authorities increased over \$1,100,000.

—Life—An agent of the Northwestern Mutual in the last competitive year wrote \$765,000 insurance on 243 lives and took the prize. Dr. E. E. Albright for the seventh consecutive year won the prize for the largest total —\$1,850,750.

—The Postal Life of New York, which has been doing a mail order business, and incidentally breaking the law by writing "unauthorized" insurance, has encountered the secretary of an advertising men's club, who carries a club. He insists that the post-office people should investigate the Postal's methods, and that legitimate publishers should refuse this law-breaker's advertisements. The peculiar Postal now offers its policyholders \$5 per \$1,000 for their service as helpers, thus making them illegal agents and subject to a fine.

—A few of the life-indemnity disability contract payments by the Fidelity & Casualty are—A. B. T. Age 39. Life insurance agent, Gordonville, Tenn. Nervous prostration, 143 weeks, \$3957.50. N. F. T. Age 48. Office manager, San Francisco, Cal. Cancer, 62 weeks, \$4343.50. M. J. M. Age 41. Physician, Holyoke, Mass. Melancholia, 104 weeks, \$1750. J. F. Age 56. Editor, San Francisco, Cal. Chronic nephritis, 99 weeks, \$1606.25. E. C. B. Age 24. Salesman, Pasadena, Cal. Tuberculosis of kidney, 104 weeks, \$1128.07. W. G. W. Age 60. Insurance agent, Abilene, Kans. Nervous breakdown, 145 weeks, \$1026.91. C. G. P. Age 50. Physician, Salt Lake, Utah, Blood poisoning, 63 weeks, \$1685. E. H. H. Age 47. Insurance solicitor, Atlanta, Ga. Cerebral arterosclerosis, 65 weeks, \$1462.50.

Continental's Semi-Annual Figures

Assets, \$26,528,483; net surplus, \$14,049,370. Of the assets, \$22,581,917 represents bonds and stocks. The unearned premiums are \$9,326,164, a gain of over \$300,000. The liabilities are a little less than on January 1. The assets show the effects of the recent decline in the values of stocks and bonds. The Continental, however, is writing an increased amount of new business.

Fidelity & Casualty's Semi-Annual Figures

This enterprising New York company has increased its reinsurance reserve in the half year. As is the case with all large companies, the decline in market values of securities since January 1 has lowered the assets and surplus reported. However, the present value of assets is near \$11,000,000 and the surplus to policyholders is near \$3,000,000. Certainly, this is good enough security.

Equitable's Group Life Policies Strongly Condemned

Insurance men generally are condemning the Equitable Life's "group" or "lump" plan of writing life insurance. It is said to be unfair to the regular solicitors, a form of rebating, dangerous to the company writing much of this business, and is justifiable only as an expensive advertisement of doubtful value.

Other companies write this "group" or blanket insurance only in self-defense and in competition.

The American Life Insurance Convention at St. Paul this week unanimously adopted, in executive session, a resolution denouncing group insurance whereby an employer takes out a blanket policy insuring all his employees against death.

Group insurance, so-called, was characterized as inimical to legal reserve life insurance, being unfair and dangerous.

The Pacific Mutual has a decreasing lapse ratio. The mortality record this year is low, the expense ratio has decreased, and the insurance in force has largely increased.

In six years the assets have increased 106 percent, dividends paid or set aside have increased 2.28 percent. The accident premium income has increased 184 per cent.

Northern Fire Underwriters Association of British Columbia, at Prince Rupert

At a meeting of the Prince Rupert committee of the Mainland Fire Underwriters Association held on August 8th, 1913, the following resolution was unanimously passed:

Whereas, the city of Prince Rupert is situated some 600 miles by steamer from the head office of the M. F. U. A. in Vancouver, B. C., and

Whereas, it takes a week and generally longer to get a reply from correspondence or queries to that point; and

Whereas, the cost of telegrams between here and Vancouver, to get rates, coverings and information is very high; and

Whereas, Prince Rupert is a natural geographical and commercial centre for Northern British Columbia and will, inside of a year, be connected up by railway with Eastern Canada and the United States;

Be it therefore Resolved, that the Board companies represented on the committee be petitioned to form a Northern Fire Underwriters Association with same powers as other Boards and with headquarters at Prince Rupert and boundaries as follows: comprising all that territory lying north of Queen Charlotte Sound and defined more specifically by a boundary following the 51st parallel of north latitude to the 125th degree of west longitude, thence northerly to the 52nd degree of north latitude, thence easterly along the 52nd parallel to the eastern boundary of British Columbia; all of which territory is naturally tributary to the Grand Trunk Pacific Railway; and that a copy of this resolution be signed by all the members of the committee which is a full representation of all Board companies writing in Prince Rupert and that the same be sent to their head offices.

Signed, C. E. Bainter, Continental Trust Co., Ltd., E. F. Doyle, Law-Butler Co., Mack Realty & Insurance Co., McCaffery & Gibbons, T. McClymont, H. F. McRae &

Co., G. R. Naden Co., Ltd., Pattullo & Radford, Peck, Moore & Co., C. D. Rand, C. B. Schreiber Co., Ltd., M. M. Stephens & Co., Ltd., Westenhaver Bros.

Growth of American Life Insurance

Compiled From New York Ins. Department Report

Year	Cos.	Policies in Force	Insurance in Force
1860	17	56,046	\$ 163,497,977
1862	18	65,252	183,962,577
1870	71	747,807	2,023,884,955
1880	30	608,681	1,475,995,172
1890	30	1,272,895	3,542,955,751
1900	40	3,071,253	6,947,096,609
1910	33	6,050,617	11,669,700,062
1911	34	6,621,386	12,802,989,204
1912	34	7,001,913	13,527,321,222

Notice the great growth in 50 years—over a thousand fold in the number of outstanding policies; and over a thousand fold in the amount of outstanding insurance!

Handsome Anniversary Number

The 40th anniversary of our worthy contemporary, *Insurance World*, of Pittsburg, is observed by the issue of a specially handsome and valuable number on August 12. The first issue was from Philadelphia, May 15, 1874.

On the reproduced first page is a paragraph concerning the LIFE companies withdrawal from California, because of a new law which imposed liability "for the representations and agreements of their California agents, anything in the application or policy to the contrary notwithstanding."

Another interesting old item is to the effect that some "evily disposed person with a contemptible spite" had set afloat a report to the effect that the Franklin Fire had ceased to write insurance on property owned by Israelites. The company promptly published an emphatic denial.

Other interesting items of 1874 "news" are: Creditors of the Alps may get 10 percent. A. H. Wray has entered the service of the Black River Fire of Watertown, N. Y.

Celluloid is the name of a new inflammable material resembling ivory.

The Columbian National Life wrote this year a gain of over 20 percent in new business.

San Francisco High Pressure System

The new fresh-salt water high pressure system is to be turned over to the San Francisco fire department September 1. There will be a superintendent, at \$200 a month salary; a chief engineer, at \$175 a month, with two assistants at \$125 each; three firemen and two gatemen at \$100 each; a calker, at \$4 a day; and three laborers, at \$3 a day of eight hours.

The Amarillo National Life Insurance Company

Editor Coast Review, San Francisco, Cal.

Dear Sir: Your very interesting letter of August 3rd, just reached the writer today, and we must compliment you on your ability to write a circular letter that will attract more than passing attention.

Amarillo — our company got the name from the town, which in turn was named from Amarillo Creek. Along the creek is found a peculiar kind of yellow clay. The word, I understand, in the Mexican or Spanish means "yellow," but our people refuse to admit that they are possessed of any such streak, so have translated the word as "Yellow Glow." If anybody happens to ask you, don't forget the "Glow" part, it sounds better that way.

Westward—we are on our way, and one of these days we will have a strong agency in sight of your own "Golden Gate."

Yours very truly,
G. J. Brothers, secretary.

Grand Opening

The handsome new building of the Liverpool & London & Globe at 444 California street was formally opened for public inspection on August 21. There were flowers and "bouquets," and for several hours the public flowed in and out. The rear end of the building seemed to be the most attractive.

We defer until our next issue a more extended notice of this handsome marble bank-like building.

The Globe Indemnity occupies the top floor, above the arched ceiling.

Liverpool & London & Globe Insurance Company Home Office Statement

Here are some very grand totals indeed. Gross assets, \$62,834,930; life insurance funds, \$20,472,755; leaving as other funds for fire and other claims, \$42,362,175.

The directors will for the present treat the acquisition of the Thames & Mersey Marine Ins. Co. as an investment, so there is not now presented a marine insurance account which would include the operations of that company. In future, however, there will always be a marine account. The directors have decided that the time has come when the Liverpool & London & Globe shall transact a marine business in its own name.

The total premium income for the year was \$20,381,735, and the claims paid were 50 plus percent. The fire premiums were \$15,018,355, and the fire losses were 54 plus percent. This is the first time the fire premiums have exceeded \$15,000,000. The five-year accident department's premiums already exceed \$4,000,000, a gain of 57 percent in one year.

At the recent annual meeting the chairman said it took the company thirty-six years to reach its first \$5,000,000 fire premium income and the second five million occupied thirty-two years more in accomplishment. The third five million had been put on in the remarkably short space of nine years. The total surplus on the fire account amounts to \$11,245,000, including the adverse balance of 1906.

Turning to the Coast Review Fire Chart we find that this great English company has about 14 millions of assets invested in the United States, of which the surplus is 4 millions. The premium income is nearly 9 millions and increasing, like the reinsurance reserve, every year.

The Pacific Coast department, now over 60 years old, averages over a million premiums yearly, with a very moderate loss ratio. The department now occupies its own office building at the old stand. John W. Gunn is manager, and R. P. Fabj is assistant manager.

The State Assurance has \$1,350,300 assets, of which \$350,000 is capital paid up.

Empire Life of Seattle

The Washington state insurance report says the result of the examination of the Empire Life, made last October, was never made public. It was found that the funds were not properly invested and the company was required to replace them as per law. On January 11, the former commissioner approved a reinsurance contract with the Anchor Life of Indiana.

The present commissioner, on taking office, withdrew the department's approval of the re-insurance contract. Subsequently, with approval of the department, the company's life business was reinsured in the West Coast Life of San Francisco. The casualty business was reinsured in a Tacoma company.

The Empire Life is now in the hands of a receiver. Commissioner Fishback says he believes the policyholders are fully protected but it is at this time "entirely problematical as to what the stockholders will realize from the holdings."

The Coast Review is of opinion that the stockholders' recovery will be nominal.

American Temperance Life

As this association has members on this Coast we summarize the findings of the New York State ins. dept. examiners.

Assets \$180,802, death claims unpaid 63,050, surplus \$46,469, reserve fund \$68,109, income \$208,460, disbursements \$243,277.

Claims and expenses in '12 were \$35,817 more than income. At this rate just about now there is precious little surplus.

Certificates in force are 5412 for \$5,003,796. These figures are much smaller than those submitted by the association in its annual report for the same date.

Three-fifths of the present members are those taken over by reinsurance from five other assessment societies, rotten, dead and forgotten.

The American Temperance Life Ins. Assn. was organized in 1889. The membership is composed of two classes: those who warrant they are total abstainers, and those who abstain from the excessive use of intoxicating drinks. The assessment rates of the latter are a little higher.

All rates are subject to increase. In 1912 the excessive mortality necessitated a readjustment of rates of members prior to 1901. This readjustment resulted in a material loss in membership.

Present rates, providing for a reserve, might be sufficient were it not for the fact that the New York law permits such associations to expend 35 percent of the premiums for expenses. This association's expenses have been nearly that percentage.

The department examiner finds the mortality experience of this association is higher than that expected on the American experience table. The membership is largely made up of the reinsured members of weak societies, who were then inferior risks. Since then the association has lost many of its best or insurable risks. The uninsurable stick like a brother.

The examiner finds that certain adjustments of claims were not fair to the beneficiaries and members interested. Payment in full was refused for insufficient reasons.

Over 800,000 Life Insurance Capital Lost

Office and Field of August 7 contains a very interesting letter by T. B. Macaulay in relation to the reinsured Union Life of Canada.

"With its reinsurance by the Metropolitan Life the history of the Union Life Company nears its close, and the questions involved can now be discussed with a freedom impossible at an earlier date. The record of the Union Life is not a pleasant memory for Canadians. It is true that the policyholders are now perfectly protected, but we cannot forget that of over eight hundred thousand dollars paid in as capital stock and premium, every dollar has been lost. Most of the shareholders, moreover, reside in England, and invested their money largely because of their faith in the Dominion. That they should have had such an experience is a bitter thought to all Canadians.

"It must not be supposed that because the officials of the Dominion [insurance] department have not published their actions to the world, they have been merely letting

matters drift. For the past year the license was renewed but from month to month. Every effort was made to improve the condition of the company by insisting on a sweeping reduction in expenses and other reforms as a condition to being allowed to continue business. One of the officials almost lived in Toronto. But though the department could exercise some control over the company, how could they make an extravagant management economical; a reckless management conservative; an unwise management wise? It is not, I think, too much to say that the Union Life caused the department more anxiety and trouble than all the other companies together. As they saw the situation growing slowly but surely worse, notwithstanding all their efforts, the superintendent insisted that negotiations be opened with other companies for the reinsurance of the policies. The officers of the company, however, would not consent, and without their co-operation the department had no power to force a reinsurance except by withdrawing the license, putting the company into insolvency, and then negotiating with the liquidator."

Miller, Henley & Scott succeed W. L. W. Miller as Coast manager for the Western Assurance and the British Assurance. Barclay-Henley, Jr., and H. H. Scott are new members.

The Fall of Ug, the Bohemian Grove Club play, this year drew many busy insurance men into the woods primeval, to assist in the cremation (or drowning?) of Care and see Fear overthrown. Among those present were William Sexton, B. Faymonville, Geo. W. Dornin, Chas. K. Field, H. H. Smith, Willard O. Wayman, John Landers, Clarence M. Smith, Clarence F. Briggs, J. L. Fuller, H. P. Blanchard, Max Thomson, C. J. Stovel, J. T. Fogarty, Russell W. Osborn, Calvert Meade, Geo. W. Turner, and others.

Fred H. Beaver, of the Pacific Mutual, a possible juryman in the Caminetti white slave case, was peremptorily challenged by the defense.

Pacific Mutual For Pacific Coast Agents

*The Best Opportunities for High Class Field Men
in a Company with a Clean Past and a Great Future*

CALIFORNIA AGENCIES:

LIFE DEPARTMENT

JOHN NEWTON RUSSELL, Jr., Manager
517 West Sixth St., Los Angeles

KILGARIF & BEAVER, Inc., Managers
5th floor, Shreve Bldg., San Francisco

WHITTINGTON & COLLINS, Gen'l Agents
1010 Van Nuys Bldg., Los Angeles

ACCIDENT DEPARTMENT

THE McCUISTION CO., Gen'l Agents
414 Story Bldg.,
Los Angeles

F. A. STEARNS, Manager
5th floor, Shreve Bldg.,
San Francisco



Organized 1868

Answers

L.—The Knights of Columbus is a secret order with an insurance feature. Fraternal congress rates are charged. Membership is restricted to members of the Catholic church. Benefits are not paid to beneficiaries if the insured is not in good standing in his church—for example, should he be a Mason. The insurance branch seems to be carefully and conservatively managed.

C.—The company you first referred to paid its few quake policy claims on the basis of individual compromise in each case. The average compromise payment we do not know. The other companies you mention made no “100 percent settlements” and do not now. They settled at as little as 40 cents on the 100.

H.—The Title Guaranty and Surety Co. cut its capital in two in 1911 because of heavy losses and expenses. Subsequently the half million was

again paid in. Its operating expenses are very high. No dividends were paid in 1912. Disbursements exceed premiums. Net surplus, \$518,564. We get these facts from Best's Reports.

The Press

No one can afford to be without insurance. Much as has been written upon this subject, it is one that will never get stale. Insurance is as great a necessity as a bed to lie upon, and roof to sleep under, and the smaller the man or institution the greater the relative need for its protection.—The Review of London.

The “Union Central Advocate” is now a thing of beauty and handysome, too. Wherein we read that the new home office building is ten feet taller than the Great Pyramid for Keeps, which holds down thirteen acres of sand, and is no temporary structure.

The Guardian Life of Salt Lake has high hopes to begin with a million.

Queen

Insurance Company

Of America, N. Y.

NET ASSETS, (JAN. 1, 1913) . . . \$9,994,450.00

NET SURPLUS, " . . . 3,961,146.00

E. F. BEDDALL
President

N. S. BARTOW
Secretary

GEO. W. BURCHELL
Vice-President

Gross Assets ^{JAN. 1} 1913 \$104,642,884

Exclusively Fire Assets 46,944,394

Net Surplus - - 17,684,610


Losses Paid - - 247,700,319

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager

LIVERPOOL, ENGLAND

DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta
San Francisco, Montreal.  Agencies in all principal Cities and Towns



ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING, SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

FIRES

Dunsmuir, Cal., July 21.—John Turner home damaged.

Le Grande, Cal., July 7.—Rheil Bros.' barn, hay and barley burned.

High Grove, Cal., July 23.—M. C. Marcum store and house.

Everett, Wash., July 12.—Pacific Canoe Co. plant destroyed; \$3,000 loss.

Delano, Cal., July 14.—Transformer house, corrugated, and two new transformers. Loss \$10,000.

Ray, Ari., Aug. 15.—Madero hotel and eight other buildings in Mexican quarter burned. Other buildings torn down to save town.

Bay Point, Cal., Aug. 26.—C. A. Smith's Lumber Co. plant, largest on Coast, covering 300 acres, swept by fire. Some lumber saved by loading on cars and hauled to safety. Some 700 men fought the flames. Dynamite used. Loss possibly \$500,000.

Seaside, Or., Aug. 14.—Mears hotel; loss \$1,000.

Fresno, Cal., Aug. 14.—Atlas laundry; loss \$5,000, covered.

San Francisco, Aug. 22.—Eagan Bros. warehouse and 600 tons hay.

Search Light, Nev., Aug. 20.—Quarrette mine 40-stamp mill; loss \$100,000.

Santa Cruz, Cal., Aug. 22.—The \$20,000 country home of Capt. B. H. Dorey burned, on eve of his departure for the military academy at Mexico, Mo., where he will be stationed.

Van Nuys, Cal., Aug. 24.—Starting in clothing store of Harry Kleiburn, fire destroyed it, the 1st Nat. Bank bldg., Masonic hall, Wm. Andrew's hardware store, and a "movie."

Berkeley, Cal., Aug. 24.—Fire believed to be of incendiary origin damaged home of Chas. Hewett, of the S. F. firm of Harlow, Hewett & Co. Police are investigating.

Fire and Automobile Insurance

American of Newark

Chartered in 1846

Capital Stock	-	\$1,000,000.00
Liabilities	-	5,431,072.05
Special Reserve Fund	-	300,000.00
Net Surplus	-	3,135,102.52
Total Assets	-	\$9,866,174.57

P. L. HOADLEY, Pres't.

C. W. BAILEY, Sec'y.

Pacific Department, San Francisco, California

GEORGE O. HOADLEY, Manager

THOS. H. WILLIAMS, Asst. Mgr.



Main Offices
56 Cedar Street

ORGANIZED
APRIL 13th, 1853

THE HOME Insurance Company NEW YORK

ELBRIDGE G. SNOW,
President

The completion of SIXTY YEARS finds THE HOME in the premier position among the Insurance Companies of the world not only in respect of FIRE ASSETS and SURPLUS to POLICY-HOLDERS—but with an unexcelled record for fair dealing in every emergency as well as in ordinary routine—with an unsurpassed equipment, and with the ability as well as the readiness to serve the public, its agents and brokers.

Licensed by the State of California Insurance Department.

Property Underwriters Association

Of San Francisco, Cal.

AUTOMOBILE INSURANCE
Complete Coverage

FIRE INSURANCE
MOTOR CYCLE INSURANCE

C. J. STOVEL, Manager and Attorney

Stovel Bldg., San Francisco
Telephone Kearny 2568

Branch Office: No. 207 I. W. VAN NUYS BLDG., LOS ANGELES

CASUALTY

Auto Headlines in the Daily Prints

Auto plunges into river and carries occupants below the surface; one drowns—Auto-car dashes into telegraph pole and a woman occupant is killed—Auto Turns Turtle and Pins Down Two Occupants—Girl Drowns Under Auto in Irrigating Ditch—Car Overturns and Four Persons are Seriously Hurt, Four Fatally—Five Persons Killed When Train Strikes Automobile—Auto Drops 200 Feet; Family of 6 Hurt—Touring Car Crashes Into Auditor's Auto; Family Hurt—Electric Train Kills Three in Auto and Fatally Injures Three More—Pastor's Auto Runs Away Down Hill and Three are Seriously Hurt—Five Injured When Auto Turns Turtle—Girl Fatally Hurt in Collision of Autos.

Death for Two in Auto Smash, a Collision with a "Dead" Car. Electric Train Grazes an Automobile and Throws Woman Out.

Fatally hurt while cranking car.

Lightning Hits Driver, and Auto Goes Headlong; Bolt Kills Two and Machine Plunges Down Embankment. Train Strikes Auto and Two are Killed.

Two Killed When Driver, Blinded by Dirt from Passing Car, Loses Control of Auto—Catapulted Passengers from Rear Car Land with Broken Necks.

FIRE

Missouri.—That mysterious move in New York which the Journal of Commerce and other Democratic influences, including the Democratic president of an insurance company and the chairman of the Democratic national campaign committee, are hinting at indistinctly with occasional glimpses of its progress through the columns of the Journal of Commerce, to bring about a resumption of the suspending fire insurance companies in Missouri, seems to be pivoted on an understanding with the attorney general of Missouri that the Orr anti-trust law is unconstitutional owing to a defect in its phraseology, and that the supreme court of the state will grant a decree annulling it. This is believed to be the kernel of the recent vague allusions to a so-called "compromise" of the Missouri situation as respects attitude of the underwriting companies. The Journal of Commerce and its Democratic conferees do not reveal the fact, or rather touch upon the point confidently believed in other quarters, that the governor of Missouri is afraid to call the legislature into session for fear they will make the present administration of Missouri look like the gloss on an old-fashioned three-cent piece. The governor can't control the legislative situation, and it is said he knows it.—U. S. Review.

A PAGE OF FIRES

Fellows, Cal., July 18.—Lawton & Blanche storehouse.

Quincy, Cal., July 17.—Electric light plant destroyed; loss \$8,000.

Dublin, Cal., Aug. 20.—Hotel and cafe here burned to ground in 30 minutes.

Butte City, Cal., Aug. 8.—Fire destroyed the business part of this town, except one store.

Weiser, Id., July 31.—John Walker's house north of the city totally destroyed. Some insurance.

Independence, Ore., July 31.—The C. G. Long house, a landmark near depot, totally destroyed.

Malden, Mass., July 26.—Some 200 gallons of naphtha exploded here and a sheet of blazing oil set fire to eight buildings.

Dallas, Ore., July 30.—Dallas Box & Lumber Co. plant completely destroyed. Started in shavings bin, possibly by a smoking tramp. Adjoining dwelling burned.

Alameda county, Cal., Redwood road, Aug. 7.—Quarry property, starting in the motor room, dynamite, powder, conveyor, buildings and machinery burned. Owners, "Borax" Smith interests. Loss over \$100,000, about half insured.

Portland, Ore., July 30.—Locomotive sparks started a fire on the upper deck of the new railroad bridge. The fire-boat was delayed and when it arrived it was unable to throw an effective stream. An engine stationed at each end did some good work.

La Grande, Ore., July 31.—The George Palmer Lumber Co. fire is believed to have been of incendiary origin. The lumber burned is estimated as of \$375,000 value. Track repairs will probably cost \$45,000. The new drying kiln will reduce the amount of lumber piled outside.

Portland, Or., Aug. 1.—Oregon Box Co. plant.

Seattle, Aug. 6.—R. S. Wilson frame saw mill; loss \$15,000.

Woodlawn, Wash., Aug. 9.—Hayes sawmill plant destroyed.

Dallas, Ore., July 20.—Fire among stores along Main street.

Pendleton, July 29.—Fire in Chinatown burned two buildings.

Chino, Cal.—Fire put out in Chino Feed & Fuel Co. plant. Second fire.

Oakland, Cal., July 27.—Creamery building and store at 3318-22 Telegraph Ave. Loss \$8,000.

Spokane, Aug. 19.—Auditorium theater damaged \$25,000 by water, the firemen being unable to locate the blaze.

The "Fair," a dept. store at 1149-1161 Market street, near 8th, San Francisco, burned July 31. Building was to be torn down by order of board of health.

Porterville, Cal., Aug. 9.—Part of business district burned. Fire started in building occupied by Futrell Grocery Co. Porterville Messenger plant burned.

San Jose, Cal., Aug. 19.—Fire destroyed S. H. Chase lumber mill, Santa Clara and Montgomery sts. Mill, lumber yard, branch postoffice, three dwellings, and several small factories destroyed. Loss \$100,000.

Los Angeles, July 22.—Grocery of Ottario Petronaggio, 605 Clover street. Explosion and fire. Arrested, with policies on person, and parts of a timing device. City authorities say underwriters are too easy.

Merida, Yucatan, July 28.—Some 22,000 bales of hemp burned here, worth \$25 a bale, or over \$500,000, besides damage to warehouses. In January 18,000 bales were burned. Whether marine or fire companies bear the loss is not known today.

Fraternal Insurance

From Connecticut Insurance Report

At the end of 1912 the total assets of the secret or fraternal societies under consideration amounted to \$110,295,304, being an increase over 1911 of \$14,919,348; the total liabilities were 13,904,315, an increase of \$1,333,175 over 1911; the total balance to protect contracts was \$96,390,988, an increase of \$13,586,172 over 1911; the number of members was 4,331,477, an increase of 32,669.

The total amount paid by members in 1912 was \$3,362,486 more than in 1911; the income from all other sources in 1912 was \$570,257 more than in 1911; the total income for 1912 exceeded that of 1911 by \$3,932,744. The disbursements show that the amount paid to members was \$53,818,248, or \$3,455,374 more than in 1911; the amount paid for expenses was \$321,693 more than in 1911, and the total disbursements were \$3,627,740 greater than in 1911.

Must Have the Endorsement of the New York Insurance Department

Insurance companies in the process of organization or promotion, holding corporations connected with such organization or promotion, in New York, and foreign corporations from other states not authorized to transact the business of insurance in the state, and their representatives, are prohibited from selling or offering for sale, in New York the securities of the above corporations, which securities are defined by law to be shares of capital stock, subscription certificates, debenture bonds, or other contracts, or evidences of ownership or interest in insurance promoting or holding corporations, unless such corporations and their representatives shall have first procured from the superintendent of insurance certificates authorizing them to sell and offer for sale such securities in the state.

Chas. W. Oesting of San Diego is in town.

Jas. H. Gray is now superintendent of agencies for the San Francisco Life.

Athabasca, Alberta, Aug. 5.—Business section destroyed by fire.

The Secret of Success

"Many have written upon the lines of success, and have cited various means whereby it may be attained. Some have said that one must be a persistent worker; others that it requires tact and ability, etc. I consider that the first step towards a successful career lies with a man's thoughts. Think right and you will act right. 'Time and tide wait for no man.' Therefore, why waste your time by thinking and trying to decide whether or not you are engaged in the right kind of work or if perhaps there is not some easier way by which to travel than the one you have chosen? The man who has his mind in such a turmoil I would urge to change his views immediately. I know a man whose mind was constantly dwelling along other vocations than his own. Everything but his own work had a greater fascination for him. He had no desire to become an assistant, thinking it was not 'worth while.' But one day it dawned upon him that it was not his business that was at fault, but he himself! From that moment on he realized and saw things which heretofore he had been blind to. Everything suddenly looked clear and bright. Thus we can see that although this young man has taken but one step toward success yet his mind is right and you can rest assured that he will continue to 'progress.'

"The attitude of a man's mind determines altogether his progress or his failure in life. If his predominant desire is to 'make good,' then his life in due course of time will be crowned with success. This desire, however, must not only be passionate, but must be coupled with a zeal and a love for work—good, hard, conscientious and persistent work. First he must possess the ability to focus his mind along constructive and progressive channels; and then he must concentrate all his energy into the one dominant act of fulfilling his purpose. The inference to be drawn from this is that the success of the insurance salesman depends absolutely upon his frame of mind. No man is worth his weight in salt unless his desire is to occupy at some time the place of his superior". — W. E. Hindle in Prudential Weekly Record.

Agents Do Well who Represent the
SAN FRANCISCO LIFE INSURANCE COMPANY

Experienced Life Insurance Men
 and Successful Business Men Direct its Affairs

Business and Resources are Increasing. Interest Earnings are
 6.30 per cent. Low Mortality Experience Shows
 Good Class of Policyholders.

Home Office: 57 POST ST. San Francisco, Cal.

GERMANIA

FIRE INSURANCE COMPANY,
 NEW YORK.

ORGANIZED 1859.

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

HEAD OFFICE

Cor. William and Cedar Sts.

FOREIGN

Lloyds at London recently insured three barrels of otto of roses in Bulgaria. The owner feared Servians might wantonly destroy them. The value of the insured otto of roses is estimated at \$500,000.

FOREIGN

The Home Life of Toronto is soon to be absorbed by the Sun Life.

The National Union of Bedford and London has been wound up, after paying creditors 64 cts. out of the \$4.87 (pound).

The 22d year of the State Assurance yielded \$1,015,870 fire premiums, with 55 percent losses. Premium gain was over \$57,500.

The United Kingdom has 23,441 miles of routage and 54,909 with sidings. In 1912 altogether 1,010 persons were killed and 8,700 were injured. On railway premises, in addition to train accidents, 107 persons were killed and 23,920 injured.

Canada.—The Connecticut Mutual, National Life U. S. A., Northwestern Mutual, Phoenix Mutual, Edinburgh, Life Assn. of Scotland, Liv. & Lon. & Globe, London Assurance, Norwich Union Life, Scottish Amicable, Scottish Provident and the Star have discontinued the writing of new business in Canada. Last year the total new business by some 50 companies was \$217,000,000. This beats the Pacific West.

FIRE

New York City.—Liverpool & London & Globe, as usual, leads in half-year city fire premiums, \$790,311. Home is second, German American is third.

The foolish Standard of Connecticut has been loading up with Missouri term business at low rates.

The North River will increase capital to \$500,000.

FIRE

NIAGARA FIRE Insurance Company

Assets, - \$6,981,389.16 Surplus to Policyholders, - \$3,664,392.31

DETROIT FIRE & MARINE Insurance Company

Assets, - \$2,194,259.14 Surplus to Policyholders, - \$1,549,532.75

NIAGARA - DETROIT UNDERWRITERS

Assets, - \$10,661,489.00 Surplus to Policyholders, - \$5,966,544.00

EDWIN PARRISH, Manager

Pacific Coast Department 334 Pine St., - San Francisco

AUTOMOBILE

You Wish to Be Paid Well

for Your Efforts.

Producers receive liberal compensation under the

Direct Agency Contract
of the **Manhattan Life**

A top-notch renewal income assured for years to come.

Several pieces of excellent territory, with exclusive rights, open for men of character and ability.

For particulars address:

The Manhattan Life Insurance Company

66 Broadway - New York
JOHN LANDERS, Manager.

Missouri a-begging business has been placed in Lloyds and in many weak companies.

Jack Marshall will be toastmaster at the dinner following the Chicago meeting of the grand nest of the Blue Goose.

MEN WHO CAN DO THE WORK

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

UNION MUTUAL LIFE Insurance Company

PORTLAND, MAINE.

FRED E. RICHARDS, President

Address **ALBERT E. AWDE, Supt.,**
396 Congress St., Portland, Maine.

GEORGE E. HUNT, Manager
Shreve Bldg., San Francisco

T. H. McAllis, Manager, Sherlock Bldg. Portland, Ore.

P. B. Duren, Manager, Boston Block, Seattle, Wash.

The Western States Agency Co., Manager, 225 Foster Building, Denver, Col.

J. E. Evans, Manager, Vancouver, B. C.

The Coast Review of San Francisco

Our Directory of Pacific Coast Fieldmen

Special Agents are invited to send us corrections

Aetna

San Francisco—G. A. R. Heuer
G. E. Townsend, A. R. Muir
E. V. Culver
Los Angeles—H. E. O'Brien
J. A. Gallagher
Seattle—F. H. Rhoads
Spokane—G. S. Mariner
Salt Lake—H. F. Mills

Atlas

Denver—Wm. Manning
Seattle—R. V. Miller
San Francisco—F. H. Elster
A. E. Ehrhorn
Spokane—H. W. Sabin
Los Angeles—H. R. Jackson

Berthau, Selbach & Berthau

San Francisco—I. D. Schnabel
K. C. V. Medcraft
Los Angeles—R. L. McCulloch

Edward Brown & Sons

San Francisco—Wm. H. Hill,
W. H. Gibbons, L. M. Hale
W. B. Westlake
Los Angeles—Chas. Van Valkenburg
Seattle—W. P. Porop
Spokane—Chas. A. Wendler
Salt Lake—J. P. Hague

California

San Francisco—H. C. R. Buswell,
Supt. of Agencies
J. W. Warner
Los Angeles—Leigh H. Robins
Seattle—A. N. Lindsay, C. M. Rupe
Portland—B. A. Sifford

Catton, Bell & Co.

San Francisco—John E. Cosgrove
Asst. Manager
Sacramento—F. A. Stahl
Spokane—I. N. Fisher, Jr.
Portland—W. M. Patterson
Los Angeles—Frederick F. Richards

Chapman & Naumán Co.

San Francisco—Edw. B. Fleming
Seattle—Jas. B. Trumbull

Christensen & Goodwin

San Francisco—R. De Lappe
C. R. Parmentier, Geo. T. Gray,
Carl A. Truitt, J. R. Mackay
Los Angeles—E. B. Fluck
Seattle—Wm. F. Zwick
Spokane—Walter A. Frazier
Portland—Fred Tebben
Helena—John B. Fritsch
Boise—L. L. Dibble

Cobb-Drennan Co.

San Francisco—C. A. Perry
Los Angeles—Alex. MacDougald

Commonwealth of N. Y.

Spokane—O. Umack

Continental

San Francisco—F. P. Wilson
Sacramento—J. C. Wiekler
Los Angeles—G. L. McIntire
Portland—W. A. Williams
Spokane—J. A. Carlson
Denver—L. S. Day, Arthur E. White
W. O. Campbell
Seattle—G. L. A. Lauer

Curtis & Gordon

San Francisco—
Charnee L. Greenwalt
Portland—E. C. Morgan
Los Angeles—Leo L. Gibson

Connecticut

San Francisco—Guy Francis
C. W. Von Tagen
Los Angeles—L. P. Stephens
Portland—James S. Reed
Salt Lake—W. S. Ferris

Fireman's Fund

San Francisco—R. D. Hunter
Samuel Simmen, John J. Ham-
mond, Kenneth Brown,
A. E. Webber, Bayard E. Nourse
Miram B. Swett
Los Angeles—Weldon D. Whelan
Chester A. Swift
Portland—Chas. R. Thompson
Chas. R. Stone, H. B. Tickner
Seattle—Frank L. Emerick
Spokane—Jas. R. Quick
Denver—F. G. White, W. P. Coffey
Frederick R. Lanagan
S. E. Norton
Dallas—C. C. Wright, J. H. Snell
J. C. Stephens
Helena, Montana—C. D. French

Fire Association and Philadel- phia Underwriters

San Francisco—Thos. F. O'Grady
Charles L. Barsotti
Los Angeles—Geo. F. Staniford
Portland—F. J. Alex Mayer
Helena—Percy B. Churchill
Denver—L. D. Griffin

Fidelity-Phenix of New York

Portland—A. P. Lange
Spokane—H. F. Mills
Los Angeles—F. E. Alderson

Germania Fire

Portland—Fred S. Penfield
Spokane—P. L. Welte
San Francisco—Z. M. Boyer

George O. Hoadley

San Francisco—A. J. Cartwright
Los Angeles—L. L. Gibson
Portland—A. H. Jackson
Walla Walla—F. J. Root

Hanford & de Veuve

Seattle—B. D. Smalley, H. A. Canfield
Spokane—A. L. Merritt
Portland—D. T. Child
San Francisco—C. De Veuve

Home, New York

San Francisco—Harry L. Roff,
J. J. Sheahan, H. W. Wagenet
E. A. Sheahan, G. W. Madison
Los Angeles—Chas. Quitzow
James S. Suydam
Portland—J. D. Coleman,
John C. Fox, B. L. Barry
Spokane—Vernon B. McDowell
Salt Lake—Junius Young,
Lawrence C. Young

Ins. Co. of North America & Alliance

San Francisco—Geo. O. Smith
L. C. Holloway
Portland—Bernard Froiseth
Los Angeles—Wm. F. Kuhl
Spokane—M. H. Reeves
Billings, Mont.—Gilman L. Camp

Law Union & Rock

San Francisco—J. Percy Carroll
E. M. Brodenstein
Portland—Noah L. Nelson

Liverpool & London & Globe

San Francisco—R. H. Rountree
Harrison Houseworth
Chester S. Myrick, Geo. J. James
Los Angeles—R. G. Brush
D. B. Edwards
Portland—W. H. Raymond
Walla Walla—F. E. Atkins

London & Lancashire and Orient

San Francisco—W. B. Hopkins,
supt. of agencies; G. T. Richmond
Sacramento—Wm. W. Gilmore
Los Angeles—J. P. Yates
Portland—G. L. Goodell
Denver—Nicholas Gardner
Seattle—David H. Parry
Salt Lake—N. W. Clayton, Jr.

London

San Francisco—Wm. H. Hackett
Supt. of Agencies
Phillip R. Weimann, Ben L.
Penfield

Los Angeles—C. W. Rohrer
Portland—Rod E. Smith
Seattle—P. J. Perry
Spokane—J. E. Johnsen
Denver—T. S. Mayer

Los Angeles Fire Ins. Co.

Los Angeles—L. H. Wood
Seattle—Frank B. Benson

E. T. Niebling

San Francisco—F. J. H. Manning,
Geo. F. Heuer
Los Angeles—Walter H. Young
Portland—H. E. Parkhurst
Spokane—Geo. W. Swan
Salt Lake—Arthur Mack

New York Underwriters Agency

San Francisco—V. H. Quitzow,
A. C. Anderson
Los Angeles—H. Harry Smith
Seattle—A. E. Bailey
Spokane—H. B. Hagen

New Zealand

San Francisco—D. A. Parker
Los Angeles—C. P. Lyndall
Portland—W. G. Fortmann
G. A. DeGross
Denver—Fred Williams

North British and Mercantile

Seattle—E. J. Young
Spokane—P. W. Gedney
Los Angeles—Chas. Harris
San Francisco—F. J. Schoeneman
C. F. Milliman, G. W. Dearborn
Denver—E. C. Willey
Portland—H. E. Smith

Northern

San Francisco—L. C. Holloway
Los Angeles—G. Mueller
Portland—D. Ross Atkinson
Seattle—Geo. F. Guerraz
Helena—E. C. Fotheringham

Northwestern National

Portland—G. F. Nickerson
Seattle—A. M. Jones
Los Angeles—W. E. Labry
Oakland—Jos. H. Cote
H. L. Clark

National Union

San Francisco—R. R. Roper
 Seattle—Henry G. Green
 Los Angeles—William M. Stodghill

Norwich Union

Los Angeles—F. C. Staniford
 San Francisco—William L. Wallace
 Portland—A. W. Giesy, H. W. Randall

A. C. Olds

San Francisco—Paul St. John
 Los Angeles—Warren Campbell
 Sacramento—E. E. Panabaker
 Portland—Chas. A. Colvin

Palache & Hewitt

San Francisco—Geo. E. Devine
 M. E. Spaulding, R. E. Dollard
 J. Henry Wolbold
 Wm. S. Dennis, L. H. Earle
 Los Angeles—P. H. Griffith
 E. E. Price
 Portland—J. J. Dennis
 Spokane—Neil Stewart
 Salt Lake—Chas. E. Miller

Edwin Parrish

Portland—Chester A. Deering
 Spokane—John A. Carlson
 Los Angeles—R. H. Reynolds
 Sacramento—W. D. Young
 San Francisco—R. T. Boyd, O. D. Baldwin

Pennsylvania

San Francisco—S. P. Mesick,
 superintendent of agencies
 F. A. Lathrop
 Oakland—F. J. Agnew
 Los Angeles—A. C. McConnell
 Portland—Chas. V. McCarthy

Phoenix, London

San Francisco—Otho N. Hall
 Geo. F. Roberts, Munro English
 Portland—Edwin C. F. Knowles
 McCrea Stephenson
 Spokane—J. Robb Gay
 Los Angeles—Victor L. McNaill

E. E. Potter & Sons

San Francisco—E. G. Potter,
 Sup't of Agencies; H. G. Davis
 Los Angeles—C. H. Gatchel
 Seattle—C. R. Kerns
 Bozeman—C. E. Dunlop

Royal and Queen

San Francisco—F. M. Gilerest
 J. E. Walden, Fred. H. Farr
 R. S. Folger
 Fresno—E. P. Eldred
 Los Angeles—J. K. Urmston
 F. J. Perry
 Sacramento—D. L. Stewart
 Portland—H. R. Burke
 Seattle—Matt B. Evans
 Salt Lake—J. H. Banks
 Salem, Or.—C. D. Gabrielson
 Spokane—J. T. O'Brien

Springfield

San Francisco—Geo. C. Coddling
 Frank H. Young
 Los Angeles—J. E. Crandall
 Portland—J. F. R. Webber
 Seattle—C. H. Anderson
 Salt Lake—L. B. Rogers

Scottish Union & National and State Assurance

San Francisco—J. H. Fuller
 Rollin M. Kelley
 Los Angeles—Chas. F. E. Niemann
 Tacoma—Fred W. Gaston
 Spokane—H. C. Edmundson
 Denver—John M. Hopkins, J. L. Reams

Geo. H. Tyson

San Francisco—Harry Benner,
 superintendent of agents;
 J. B. Hatcher, H. L. Cope
 Douglas Parker, Robt. R. Weber
 Los Angeles—A. C. Wright
 E. R. Holland
 Sacramento—E. F. Hewitt
 Portland—W. Harvey Wells
 Seattle—W. T. Burwell
 Tacoma—Walter F. Higbee
 Spokane—F. O. Vincent
 Salt Lake City—Arthur A. Ferns

C. H. Ward

San Francisco—M. E. Page
 V. C. Sessions
 Los Angeles—R. H. Davis
 Portland—E. A. Parsons

Watson & Taylor

Los Angeles—J. J. Ashby

Wayman and Henry

San Francisco—W. W. Cleveland,
 J. R. Keena, E. P. Caine, John
 A. Faull, J. N. Waters
 Los Angeles—Edward A. Rowe
 James F. Boylan
 Portland—E. R. Thompson
 Seattle—Bruce Kaltz
 Spokane—W. S. Gill, C. B. Harris
 Denver—C. S. Hill, H. R. Schroeter

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Seattle—H. P. Hildreth
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Appraisers

San Francisco—J. P. Treanor
 Portland—Wm. B. Honeyman

To Coast Special Agents:

THE only insurance journal publishing a Directory of Field Men The Coast Review.

If your name does not appear in this Directory it is the fault of yourself or of your Manager or General Agent, to whom proofs have been submitted.

WE OFFER YOU as a subscriber something extra, the particulars of which will be mailed to you on request. Fire a post card at us.

LIFE

T. M. Morgan, vice president of the Northern Life of Seattle, is sampling California's caliente climate.

The National Association of Life Underwriters who never underwrite a policy meets in Atlantic City on 16-18th proximo. There is some guessing as to who will succeed Sills—not a better talker sure.

J. E. Ward, second vice president of the Prudential, died last week. He was a nephew of the late Dr. Ward, vice president.

Among the largest life insurance payments in 1912 were: C. Silverson, New Ulm, Minn., \$412,403; Chas. B. Kountze, Denver, \$293,283; Thos. S. Hayden, Denver, \$209,044.

Honolulu Life Change.—Malcolm Macintyre is now sole manager of the Sun Life of Canada.

The Mutual Life probably has the oldest policyholder in the republic. He holds No. 458, issued in January, 1844. The original \$1500 has become \$5,320 by premium credits. The policyholder is hale 97.

GOOD AGENTS WANTED

THE

West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, *President*
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JULIAN SONNTAG, *second Vice-President*
WILLIAM C. HAMMOND, *Secretary*

Health and Accident Insurance

KIMBALL C. ATWOOD, *President*WILFRID C. POTTER, *Secretary*

The
Preferred
Accident Insurance
Co.
OF NEW YORK.

Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT :

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

CASUALTY AND SURETY

The Ætna A. & Lia. combination automobile policy has been ruled against in Rhode Island.

An English company insures against loss of premium by the unexpected redemption of bonds.

The defunct Columbia Casualty Co. of Indiana will probably pay nearly 40 percent of its liabilities. Poor stockholders!

Oklahoma Co., Okla., has levied on the National Surety Co. \$50,000 state deposit. A denominational college had obtained judgment for \$13,221 on the bond of a defaulting construction company.

GENERAL

The hobble skirt caused an Oregon girl to stumble and break her arm. No insurance.

Potts succeeds Potter in the Illinois State Insurance department. Potter makes Potts.

The Franklin of Washington may retire from business.

In Washington, banks must no longer act as agents of fire insurance companies.

In Germany, industrial activity is intense in spite of high interest rates and the lack of available capital.

The Milwaukee Mechanics has entered New Mexico.

Marine.—The Titan from Tacoma to London stranded at Jeddah. Str. of 8,980 tons.

The Russian land colony near Fort Ross, Cal., is a failure. This colony settled where the Russians did a century ago. The mortgage did not blow away. Crops were poor this first year.

Selma, Cal., rates may be reduced soon.

Strikers Burn Town.—Striking coal men burned Extension, B C., the rioters applying the torch to hotels, stores and houses.

HOME LIFE INSURANCE COMPANY OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—“The Come'l & Fin'cl Chron.” 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,

256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department, 123 William St., New York, N. Y.

Liability

Workmen's Collective

Workmen's Compensation

Burglary

Personal Accident and Health

Industrial Accident and Health

Agents Wanted For Unoccupied Territory

Apply to New York office or to

WALTER A. CHOWEN,

Pacific Coast General Agent

340 Sansome Street

San Francisco

AGENTS WANTED

To Solicit Subscriptions for The Coast Review, now in its 42d year. Good commissions. Sample Copies sent in advance. Will pay well any active man. Special offerings. Write Publisher for further particulars.

National Union Fire Insurance Company

of Pittsburg, Pa.

Cash Capital, - - - - -	\$1,000,000.00
Surplus to Policyholders, - - - - -	1,545,227.00
Assets, - - - - -	4,136,638.00

METROPOLITAN DEPARTMENT

SAN FRANCISCO

604 Merchants Exchange Building

DIXWELL DAVENPORT,

E. C. DIETZ,

MANAGER

ASS'T MANAGER

FIELD REPRESENTATIVES:

R. R. Roper, NORTHERN CALIFORNIA

604 Merchants Exchange Bldg, San Francisco

Wm. M. Stodghill, SOUTHERN CALIFORNIA

302 Stimson Building, Los Angeles, Cal.

LIFE

The Consolidated Life Ins. Co. is announced in Oregon.

The Lincoln Annuity Union of San Francisco, “up against it,” has “reinsured” and retired.

At Los Angeles John C. Roberson gets the Fidelity Mutual for south-the-Tehachipi.

C. C.—The Order of Puritans, which reinsured the Lincoln Annuity Union of San Francisco, is not deserving of your confidence.

Montana.—The First National Life & Accident of South Dakota will enter this state soon if not sooner.

SOME OF THE ADVANTAGES ENJOYED BY EQUITABLE REPRESENTATIVES

The backing of one of the largest and strongest financial institutions in the world.

A Participating Company.

A Prompt Paying Company. Of the 5,089 domestic death claims paid by the Equitable during 1911, 5,035 or nearly 99 per cent were paid within one day after receipt of "Proofs of Death."

A Company whose policies are standard contracts, drawn to conform to the Insurance laws of New York and other States.

A Company issuing every desirable form of insurance including Corporation Insurance, Income Insurance, Employe Insurance, Home Purchase Insurance, Joint Life Insurance and a large variety of Annuities.

A Company large and Strong enough to insure applicants for large amounts **under a single policy.**

A Company whose policyholders include the world's Captains of Industry whose identification with the Equitable is in itself an endorsement.

A Company granting insurance to sub-standard physical risks—bringing protection within the reach of applicants who might otherwise be deprived of it and saving business for the agent.

A Company which insures women at the same premium rate as men.

A Company whose canvassing documents are comprehensive, adequate and attractive.

A Company engaged in a broad "conservation of life," movement—aiming to lengthen the lives of its policyholders as well as insuring them.

A company that has withstood every conceivable test—wars, financial panics, epidemics, and lastly, a great fire

The Society has openings in practically every State for energetic agents of character and ability.

Address **H. L. ROSENFELD, Assistant to the President**

165 Broadway The Equitable Life Assurance Society of the United States New York

REPUBLIC UNDERWRITERS

POLICIES UNDERWRITTEN BY THE
AUSTIN FIRE INS. CO. and the COMMONWEALTH FIRE INS. CO.
of DALLAS, TEXAS

TOTAL ASSETS OVER \$1,174,970.99

SURPLUS TO POLICYHOLDERS OVER 738,629.96

LOCAL AGENTS WANTED

243 SANSOME STREET
SAN FRANCISCO, CAL.

ANDERSON & EDWARDS, Managers

FINANCE

Government 2's have dropped down to near 95. This is the first time in many years that a government bond has fallen below par.

The new currency bill at Washington may result in a general decline in government bond values, by causing many national banks to give up their "circulation" and become private banks or go out of business altogether. It is not easy to sell good city and other 5 percent bonds at par, and a government bond not wanted as a basis for banknote circulation must pay 5 percent interest, and not 3, if it would be quoted at par.

BUSINESS

Sacramento Failure.—T. C. Reavis Co., dry goods; voluntary bankrupts.

Savings banks deposits are likely to be diminished by the sale of municipal bonds in small denominations as low as \$10.

GENERAL

Maria Tarnovska, who was charged and found guilty of having persuaded a jealous youth, Nickolas Naumoff, to go to Venice from Vienna and kill Count Kamarowsky, her fiance, in order that she might obtain \$100,000 life insurance, was recently found dead, hanging in a railway car.

GENERAL INSURANCE NOTES

LIFE

The companies in the American Life Convention have \$1,548,529,000 insurance in force. This is a gain of \$252,560,000 in one year. The one-hundred companies have \$187,843,000 assets, a gain of \$22,846,000 in one year. Companies in the Pacific West belonging to this Convention are

Ægis of Colorado,
Capitol of Colorado,
Colorado of Oregon,
Continental of Utah,
Idaho State,
Montana of Montana,
Northern of Washington,
Occidental of California,
Occidental of New Mexico,
San Francisco of California,
West Coast of California,
Western States of California,
Western Union of Washington.

New York City employees of the Equitable Life have opened up a co-operative general store.

"Col." Jacob A. Jackson, the efficient chief of the literary bureau of the Mutual Life, is now touring the Western and Pacific Coast agencies of that company lecturing before the agents. He will visit, before he returns to this city about the middle of August, San Francisco, Los Angeles, Salt Lake City, Portland, Ore., Seattle, Wash., and Calgary, Alta. He will join forces with Second Vice-President George T. Dexter during part of the trip.—Insurance Advocate.

The Los Angeles agency of the Pacific Mutual now occupies a building "of its own," erected by the company on a purchased lot adjacent to the home office property. The growing business of this company necessitates the construction of these additional office premises.

CASUALTY

Franklin J. Moore, formerly United States manager for the General Accident, has sued the company for commissions alleged to be due him.

Sewall & Alden succeed Franklin J. Moore as Managers of the Preferred Accident's casualty department, at 80 Maiden Lane, New York.

Over a year ago the Coast Review called attention to the heavy underwriting losses of the London Guarantee & Ac. in this country. Subsequently the home office statement also showed heavy liability losses. Now the New York state examination of the United States department reveals serious underwriting losses last year also. The Coast Review was the only journal which noticed the unprofitable business which this London company was transacting in this country.

The Hartford Accident & Indemnity Co. has completed its organization. The officers are the same as those of the Hartford Fire.

SURETY

The American Surety was bondsman of Emanuel Post, a defaulting New York steamship ticket agent who is short nearly \$2,000.

A Chicago adjuster for the National Surety, Lincoln Claffin, has been indicted for alleged theft of salvage money. This "good man" has vanished.

The Chicago Bonding & Surety has entered Edward Brown & Son's office in San Francisco, with R. M. Ford from the home office in charge.

ACCIDENT

Beneficiary accident policies are not allowed in Oregon.

The new branch manager of the Pacific Mutual in New York is F. R. Woodbury.

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912 \$280,438,555.87

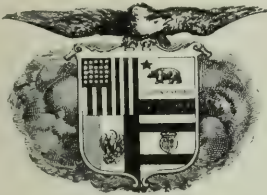
Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.

President, *JOHN M. TAYLOR*, Hartford, Ct.



Los Angeles Fire Insurance Company

Los Angeles, Cal.

Cash Capital, (Fully Paid), - - \$200,000.00

Secure An Agency of This Home Company.

A Good Agency Company.

San Francisco Office, 334 California Street

CALIFORNIA NATIONAL LIFE Insurance Company

Safe .. Sound .. Conservative

HOME OFFICE

Timken Building

SAN DIEGO, CALIF.

THE THIRD CLASS LOCAL AGENT

WHAT would you think of a local agent who never talked about insurance? about its cost, income and profits, its commissions, taxes and expenses? He wouldn't know much about the business, would he?

Now an insurance journal is but authoritative talk about insurance, backed by libel liability.

Any local agent who doesn't read about insurance in an insurance journal is a Third Class Local Agent.

He is not up to date in news, in principles, in practices, in court decisions, in knowledge of the condition and prospects of the insurers.

He is like a cheap skate of a lawyer who never reads a court decision, or a bum doctor who never reads a medical journal.

This 3rd rate local agent saves a cent a day but he may cost his patron 5,000 when a loss is settled—and thereby lose friendship and \$500 commissions.

LIFE

Vice Pres. Geo. T. Dexter of the Mutual Life, who is accompanied by J. A. Jackson, is exceedingly well pleased with his trip to the Pacific Coast.

The Provident Life of Des Moines, Gov. Carroll's company, hopes to begin business this fall. Pride goeth before a fall.

The International is arranging to re-insure the business of two life companies and bring its total outstanding up to \$50,000,000.

A Life Man's Audience With J. P. Morgan.

A speaker said the other day at a meeting of insurance men at the Auditorium in Chicago:

"In the beginning of my career, when I was only an humble insurance agent, I gained access one morning to the august and formidable presence of J. Pierpont Morgan."

"No!"

"Yes," the official insisted, "yes, it's a fact. Don't ask me how I did it, though, for that's a secret. But at 10 o'clock one morning, behold me, a young insurance agent, standing before the desk of the great J. Pierpont with my big envelope of life and death statistics, 20 year endowments and so forth, in my hand. I was, I have since learned, the first and only insurance agent who ever managed to meet Mr. Morgan face to face."

"Well, what happened?"

"'Mr. Morgan,' I began hurriedly, 'you ought to carry more life insurance. You see, sir—'

"'And lucidly and cogently I laid my insurance proposition before the great man.

"'He listened in silence. Those fierce blue eyes of his bored through me like lances. When I stopped at last, all he said was:

"'How did you get in here?'

"'I walked in,' I answered.

"'Well,' said he, 'walk out.'"

LIFE

Financier Ryan now says he bought control of the Equitable Life capital stock to prevent a panic and a business crash. This he writes of with pride as "a commanding act at the opportune moment." The recommendations as to management, made as the result of the official examination, had been anticipated, he says. Neither Mr. Ryan nor his successor Mr. Morgan exercised any control over the trustees who managed the Equitable.

Would you believe it? The Texas fire marshal and the mayor of El Paso got their heads together over the three-years light fire losses in the Rio Grande city, and gravely agreed that the fire underwriters should repay the policyholders an even million dollars in the form of rebates. Of course, the insurance companies will do this—when permitted to levy special assessments on all policyholders in similar cities when one of them burns down.

The Catholic Mutual Benefit of Hornell, N. Y., has just been examined. Criticized. Realty has been unprofitable. Society has admitted members over age, and then, with no legal liability assumed, has refused to refund premiums. Older members are receiving insurance at less than cost. Present rates for new members are adequate.

Utah's department rules that each "group" in group insurance must be treated individually to prevent discrimination.

The Farmers Life of Denver with over \$100,000 capital has been licensed. W. O. Temple is secretary. Gov. E. M. Ammons is president.

C. M. Carson of Baker has joined the Oregon agency of the Missouri State Life.

Robert Brown is now general manager of the German American Life of Colorado.

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
OCCIDENTAL LIFE INSURANCE CO.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.



NEW YORK UNDERWRITERS AGENCY

Cash Assets January 1, 1913,	- - -	\$26,492,318.21
Net Surplus January 1, 1913,	- - -	8,513,692.22
Surplus to Policyholders January 1, 1913,	- - -	10,513,692.22
Losses Paid, Over	- - -	158,607,806.03

H. R. MANN, Manager

F. M. BRANCH, H. R. MANN Jr., Assistant Managers

Pacific Department: 339-341 Sansome St., San Francisco

SPECIAL AGENTS AND ADJUSTERS:—V. H. QUITZOW, A. C. ANDERSON, SAN FRANCISCO, CAL.; A. E. BAILEY, SEATTLE, WASH.; H. HARRY SMITH, LOS ANGELES, CAL.; H. B. HAGEN, SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO.

OF TORONTO

(INCORPORATED 1833)

United States Assets	\$1,746,624.71
Liabilities in United States	1,045,080.89

Surplus \$701,543.82

PACIFIC COAST DEPARTMENT
129 Leidesdorff Street, - San Francisco

W. L. W. MILLER, Manager

The Pan-American Life of Louisiana has been officially pronounced O. K.

San Francisco south-of-Market is supposed to have a firebug.

A dispatch from Abilene, Kan., says a car of coal was set afire by the sun's rays.

"This agitator says money ought to be smashed."

"A queer statement. Can money be smashed?"

"Well, I once saw a conductor knock down a nickel." — Kansas City Journal.

American Central INSURANCE COMPANY
of St. Louis Established 1853
Assets. \$5,549,279 Surplus to Policyholders. \$2,410,275 Losses Paid. \$26,531,745

St. Paul F. & M. INSURANCE COMPANY
of St. Paul, Minn. Established 1865
Assets. \$8,785,319 Surplus to Policyholders. \$3,351,370 Losses Paid, \$44,006,102

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS of St. Louis
Assets. \$5,549,279
Surplus to Policyholders. 2,410,275

Minnesota UNDERWRITERS of St. Paul
Assets, \$8,785,319
Surplus to Policyholders. 3,351,370

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817 Of PHILADELPHIA Began on Coast 1873

Paid \$1,835,930-San Francisco Conflagration Losses

Cash Capital, -	\$ 750,000.00	Cash Assets, -	\$9,091,141.00
Net Surplus, -	2,590,263.00	Policyholders Surplus, -	3,340,263.00

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets, -	\$26,907,330.00	Surplus to Policyholders, -	\$12,185,135.00
Net Losses Paid in San Francisco in 1906.	-	-	\$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada
Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles
315 California Street, - - - San Francisco

GENERAL

Wall paper pasted over stove-pipe hole caused a house fire in Wisconsin.

The man who falls off a waterwagon falls into a crowd. George Ade.

Insurance Commissioners' Convention

Some 26 states were represented at the Burlington, Vt., meeting last week. One day was given to the discussion of agents and state laws in control thereof. Short rates and over-insurance and "underwriters agencies" were discussed on the following day.

Marine Losses

The Weiding Brothers, schooner, wrecked in British Columbia waters.

Three British steamers stranded in the river Plate. They are the Heather-side, the Bellagio, and the Copenhagen.

At Cleveland the str. Iowa took its cargo and went below at the dock.

The German str. Etruria was burned in port at Rio de Janeiro.

The steam schr. Pt Arena went ashore on Pigeon Point, south of San Francisco, Aug. 9.

England is to have motor omnibus service by a central company operating from the principal cities. Each branch

covers a 30-mile radius. If any route does not "pay" it will be dropped. Stock is being offered.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES. \$2,826,707.00

Office: **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

Statements showing the standing of the

CALEDONIAN	INSURANCE COMPANY	Of Edinburgh
	The oldest Scottish Fire Office	(Organized 1805)
Capital	\$5,078,365 32	Assets, \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN	INSURANCE COMPANY	Of New York
Capital . . . \$200,000 00	Cash Assets . . . \$253,114 00	Surplus to Policyholders . . . \$238,104 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,405 19
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Pacific Department Office: 430 California Street, San Francisco.

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE.

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	- - -	\$ 250,000 00
Cash Assets (Gold)	- - -	2,096,766 26
Net Surplus over Capital (Gold)		1,357,229 46
On deposit in the United States, (registered U. S. bonds)	-	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents
Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco

[Babcock Building]

PHOENIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building
(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employes. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.
Royal Insurance Building

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

POLICY
PROVIDING
PERFECT
ROTECTION

HOME OFFICE
SEATTLE
U. S. A.

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.

\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over **\$500,000.00**

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets	\$2,464,562.05
Liabilities in United States	1,446,243.42

Surplus **\$1,018,318.63**

PACIFIC COAST DEPARTMENT

129 LEIDESDORFF STREET - - - SAN FRANCISCO

W. L. W. MILLER, Manager.

Total Assets Represented over **\$20,000,000**

Svea
Insurance Company
of Gothenburg

Agricultural
Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire
Insurance Company
of New York

Hamilton Fire
Insurance Company
of New York

Globe Underwriters
of New York

EDWARD BROWN & SONS

General Agents Pacific Coast Departmen
202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

ONE HUNDRED YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH **\$9,139,794.00**
(which are but a small part of total fire assets of the Co.)

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

JOHN McC. ANDERSON, Resident Secretary, Local Dept.
234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON
OREGON, MONTANA.

P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN
WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH
WYOMING.

CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA,
and ARIZONA.

G. W. DEARBORN, 231 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 231 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 221 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, SAN
FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, "Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company."

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$—— in premiums." "My business is chiefly ——." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye. They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1821.

North American Branch:

Hartford, Conn.

**JAMES H. BREWSTER
MANAGER.**

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash.,
Oregon, Washington, British Columbia.

JOHN M. HOPKINS, State Agent,
JOHN L. REAMS, Special Agent,
706 Gas and Electric Bldg., Denver, Colo.,
Colorado, Wyoming, New Mexico, Utah,

H. C. EDMUNDSON, Realty Building,
Spokane, Wash.,
East'n Oregon, Washington, Montana, Idaho

H. W. FORES, San Francisco, Cal.,
General Agent, California, Nevada, Arizona.

**SAN FRANCISCO OFFICE:
409 California Street**

The Northern Assurance Company Limited

OF LONDON

Established 1836

Accumulated Funds, \$39,436,873.00
 Invested in the United States, 5,292,022.00

FRED C. H. ROBINS, Manager Metropolitan District

330 California Street, - - - - - San Francisco

(For San Francisco and Bay Counties)

PACIFIC COAST DEPARTMENT:

CHICAGO, ILLINOIS,
 G. H. LERMIT, *Manager*
 J. C. CORBET, *Ass't Manager*

PACIFIC COAST SPECIAL AGENTS:

D. R. ATKINSON, Portland, Or.
 LOWREY C. HOLLOWAY, San Francisco, Cal.
 GEO. F. GUERRAZ, Seattle, Wash.
 G. MUELLER, Los Angeles, Cal.
 E. C. FOTHERINGHAM, Butte, Mont.

Pacific Surety Company

OF SAN FRANCISCO, CALIFORNIA

*Accident and Health
 Plate Glass*

*Employers' Liability
 Workmen's Compensation*

INSURANCE THAT INSURES

C. H. CRAWFORD,
 PRESIDENT

ESTABLISHED
 1885

The London Assurance Corporation

OF LONDON

Cash Assets, \$24,899,825.00

The London Underwriters

SPECIAL AGENTS—C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
 T. S. HEATH, Denver; J. E. JOHNSON, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco.
 PERCY J. PERRY, Seattle.

A. W. THORNTON, *Manager*

J. M. MENDELL, *Assistant Manager*

G. E. GOGGIN, *City Manager*

WM. HACKETT, *Supt. of Agents*

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

The Pacific Mutual's policyholders' month is August.

The Canadian-Australian passenger steamship line will in 1915 include San Francisco in its itinerary, for fair reasons.

Germany complains of excessive industrial fire losses.

Business failures are increasing fast in number and liabilities in the United States. Will the fire losses increase too? Shoot Congress!

LIFE

The Ætna Life was started as the Ætna Ins. Co. Annuity Fund. It is said that the only capital paid in by the

stockholders was \$57,000. Will some one correct us? There is no connection between the Ætna (fire) and the Ætna Life.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY
Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General Manager

Union Assurance Society, Ltd.

1714

OF LONDON

1913

Assets, \$6,000,000.00

CATTON, BELL & CO., General Agents

R. C. MEDCRAFT,
Manager

JOHN E. COSGROVE,
Ass't Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—WM. M. FATTERSON, Portland
F. F. RICHARDS, Los Angeles

I. M. FISHER, Jr., Spokane
F. A. STAHL, Sacramento

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets, - \$995,596

Capital, - \$300,000

Surplus, - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

332 Pine Street,

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

The overhauled Lusitania will reap- is said no other ship can ever "over-
pear this month, so fast a ship that it . haul" her.

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY - THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

Alaska Commercial Building - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by
the State of Massachusetts

Incorporated 1849

Total Assets	\$ 10,407,847 65
Total Liabilities	7,537,140 04
Net Surplus	2,870,707 61

SURPLUS TO POLICYHOLDERS, \$ 4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by
the State of New Jersey

Incorporated 1811

Total Assets	\$ 1,870,656 00
Total Liabilities	1,010,774 70
Net Surplus	859,881 30

SURPLUS TO POLICYHOLDERS, \$ 1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

ANNUAL STATEMENT, DECEMBER 31, 1912

Assets	\$11,148,389 89
Liabilities	7,867,105 85
Capital	1,000,000 00
Surplus over all liabilities	2,281,284 04
Losses Paid to Dec. 31, 1912	40,596,818 01

This company issues contracts as follows :

Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance; Liability Insurance; Employers, Public, Teams (Personal Injury and Property Damage), Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation; Steam-Boiler Insurance; Fly-Wheel Insurance.

Pacific Coast Department: { California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange San Francisco. Washington and Oregon—SEELEY & CO., 111 S. 10th St., Tacoma; Coleman Bldg, Seattle; Board of Trade Bldg, Portland.



OVER 5,000 PRUDENTIAL OLD GUARD !

The Prudential has over 5,000 employees who have been in its service from 5 to 35 years. The Prudential holds its agents.

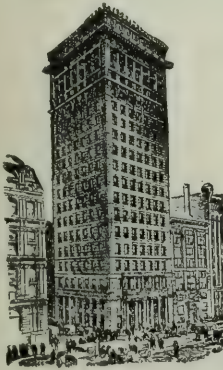
Write for particulars of contract to-day.

THE PRUDENTIAL INSURANCE CO. OF AMERICA

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



Prevent Losses through dishonesty. Our special short form Insurance

Bond guarantees absolute protection.

American Surety Company OF NEW YORK

The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.

JAMES K. LYNCH, RESIDENT VICE-PRES.

CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

Brewster Cameron, Jr., Acting Mgr. for Northern California and Nevada

Merchants National Bank Bldg. San Francisco. Telephone Kearny 1099

The Insurance Agents Association of St. Louis has given up the ghost. There are no companies and their occupation is gone.

American railways have an income of \$8,230,000 a day, and an expense of \$5,920,000. Taxes are \$341,500 a day, or over 4 percent of the income.

MISCELLANEOUS MATTERS

A mosquito bite on the ankle killed a woman at Mt. Vernon, Wash.

The Ohio flood carried 163 fire claims for \$924,600, under 601 policies.

If Anthony Comstock lived in San Francisco he would "get" a Bullet in the underworld.

In Hartford there still stands the small vault which in the olden days proved adequately large to house all the valuables of the Ætna Insurance Co. The door is very old-fashioned. It is of sheet steel about three-quarters of an inch thick. It is hung on hinges and has an inverted keyhole and a small knob that was turned in opening and closing the vault. The walls are of brick and very thick. Recently it became necessary to employ a man to chisel out a piece of the door, so that the lock could be reached and the door opened.

Fruit is Both Food and Medicine

In this caption lies an important truth, formulated by our editor, who is no liar. Fruit is not only food but it is medicine. As food, it contains elements from the soil drawn by neither grains, nor nuts nor vegetables. As medicine, it supplies the human system with elements which counteract the effects of overeating and which promote regular excretions. People who eat fruit of all kinds freely and with some regularity never have appendicitis. The function of the appendix is to insure defecations. But the man who eats no fruit, or little fruit, imposes too great a task on the appendix. The subsequent surgical operation is a perfect success but the patient dies. Eat fruit of all kinds, in season and out of season, and fear not. For your bowels will move, your feet will be warm, and your head will be clear and cool.

The colder the Polar waters the smaller the fish.

Oregon increased its population four percent last year.

The New World Life has a woman assistant actuary.

Telluride, Colo.—The Smuggler Union gold mine property has dropped its insurance and saved \$129,000 premium.

The automobile risk includes stolen tires. It has been observed that every "stolen" tire is new, and every tire lost from the rear is stolen.

Marine. — On goods for Bulgarian ports in the Black sea, from England, a rate of £5 5s. percent was quoted just before Bulg.-Serb.-Greek ruction.

Spokane.—W. H. Heath, who owns a grocery store at Second avenue and Howard street, was fined \$1 and costs in police court, by Justice George W. Stocker on a charge of keeping gasoline in his store, against the city fire ordinance.

Who's Hoo-Hoo?—That famed organization, the Concatenated Order of Hoo-Hoo, will concatenate in splendor at the Panama-Pacific International Exposition in San Francisco in 1915. The Snark of the Universe, the Senior Hoo-Hoo, the Junior Hoo-Hoo, the Bojun, the Scriventor, the Jabberwock, the Custocatian, the Arcanoper, the Gurdon and all the lesser potentates and rank and file of the order, have so decided, and at a meeting held in the San Francisco Commercial Club, July 29th, energetic steps were taken to provide for the erection on the Exposition grounds of a Lumbermen's building and house of Hoo-Hoo, for the celebration of the completion of the Panama canal. The order numbers 15,000 members scattered throughout seventeen countries, and is composed of lumbermen, foresters, and others connected with the lumber industry.

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

The first office to commence paying losses after the conflagration.

The first office to commence paying in full the face of the policies, without discount, for cash or exchange.

The only general agency that remained in San Francisco where its patrons suffered.

The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.

The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

**Get the Best Insurance While You Are About It
It Costs No More**

January 1, 1913

OLD AND
TRIED

GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,312,945 00
UNDIVIDED PROFITS	2,486,705 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,848,154 00
UNDIVIDED PROFITS	896,217 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,492,354 00
UNDIVIDED PROFITS	439,752 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal.

Fire Automobile Marine

COMMERCIAL UNION

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$ 14,750,000
Paid-Up Capital	1,475,000
Total Cash Assets, Gold	56,579,048
Total Liabilities, including re-insurance reserve	46,019,127
Cash Surplus to Policyholders	10,559,921
Total Amount of Claims Paid	175,573,348

Assets in United States Held by Trustees, \$7,643,751

ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE

Security Building, 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

FIRE

Will the companies weaken in woeful Missouri?

Kiting agents are being starved out by the Missouri insurance famine.

Burning rubbish near buildings sometimes causes a destructive house fire.

A Quitter.—The Home of West Virginia has had enough of the fire game. It paid one dividend in its eight years' career.

The ever-accomodating Home of New York has assumed the burdens of the Nova Scotia Fire, and will continue its business as the Nova Scotia Fire Underwriters.

Classification. — The Massachusetts commissioner believes that the burning experience of the past is of value in making insurance rates. Such statistics, he says, are of as much value as life insurance statistics.

Walter Speyer has now found a tenant for the third (top) floor of the New Zealand building in San Francisco. This leaves only one floor (middle) vacant. It is a fine building and should some day pay a fair return on the investment.

The Chicago public library was recently written by the Boston, the lowest bidder, at 60 cents for five years, or 12 cents a year, without coinsurance. In Vancouver the Boston has been making bigger cuts than that.

The Argus prints a fine portrait of U. S. Manager H. N. Kelsey of the Hamburg-Bremen Fire.

Lightning is Cause of Big Fire Loss

Bingham, Utah, August 3.—Fire caused by lightning resulted in the destruction this afternoon of the transformer and compressor plant of the Utah Copper Company here. The plant was practically new. Loss is estimated at \$85,000.

STABILITY AND STRENGTH

RESOURCES OVER \$52,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

PACIFIC DEPARTMENT

WILLARD O. WAYMAN---CARL A. HENRY
JOINT GENERAL AGENTS

FRANK E. STONE **MAXWELL H. THOMSON**
ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets
San Francisco, Calif.

Branch Offices: Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00 Assets, \$9,268,924.08

WILLIAM J. DUTTON

PRESIDENT

BERNARD FAYMONVILLE

VICE-PRESIDENT

LOUIS WEINMANN

SECRETARY

A. W. FOLLANSBEE, Jr.

MARINE SECRETARY

J. B. LEVISON

SECOND VICE-PRESIDENT

H. P. BLANCHARD

ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

T. M. GARDINER

TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 85
NO. 3

SEPTEMBER

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast INSURANCE Review

PROTECTION

An Insurance Journal and Directory

IN ITS FORTY-THIRD YEAR

San Francisco: Merchants Exchange Building

The Only INSURANCE Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

Industrial Medical Chest Law in California
Classification—By Richards

Proposed Law Against Lump Life Insurance
Commissioner Done's Life Bulletin

Nine Pages of Insurance Court Rulings
A Few 20 Years Ago Items

Probable Merging of the Connecticut Fire With the Phoenix
of Hartford

Connecticut Fire Underwriters Announced
Liability Commissions Limited to 10 and 12½ Percent
World's Insurance Congress Address by Hathaway of the
Mutual Life

California National Life Transferred to International Life
New Assistant Manager

Accident Insurance Decision

Special Contracts Disappointing and Discriminatory

Insurance Losses at Recent Fires

Extraordinary Succession of Lumber Yard Fires

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets
\$62,500,000.00

Assets in U.
\$13,739,218.9

LIVERPOOL & LONDON & GLOBE
INSURANCE CO., LTD.

NEW YORK OFFICE, 80 WILLIAM STREET.
H. W. EATON, Manager
G. W. HOYT, Deputy Manager
J. B. KREMER, Ass't Deputy Manager
T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
PENNSYLVANIA, MARYLAND, DELAWARE,
DISTRICT OF COLUMBIA, VIRGINIA,
WEST VIRGINIA, NORTH CAROLINA,
SOUTH CAROLINA, OHIO,
INDIANA, KENTUCKY,
-TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
CLARENCE F. LOW, Manager
J. G. FEFER, Ass't. Mgr
THOS. H. ANDERSON, Deputy Ass't. Mgr

LOUISIANA,
MISSISSIPPI,
ALABAMA,
OKLAHOMA,
FLORIDA,
ARIZONA,
IDAHO,
WASHINGTON,
OREGON,
CALIFORNIA, NEVADA,
ALASKA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
JOHN W. GUNN, Manager
R. P. FABJ, Ass't Manager

ILLINOIS,
MICHIGAN, IOWA,
WISCONSIN, MINNESOTA,
MISSOURI, KANSAS, NEBRASKA,
COLORADO, N. DAKOTA, S. DAKOTA,
MONTANA, UTAH, WYOMING,
NEW MEXICO.

CHICAGO OFFICE, INSURANCE EXCHANGE.
W. S. WARREN, Manager.
GEO. H. MOORE, Assistant Manager
HUGH R. LOUDON, Deputy Ass't. Mgr

Established 1836

Entered U. S. 1

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05

Surplus \$ 4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144.

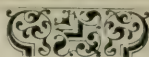
LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852
In Company's New Building
444 California St., San Francisco

JOHN W. GUNN, Manager
R. P. FABJ, Assistant Manager

Special Agents:

R. G. BRUSH R. H. ROUNTREE HARRISON HOUSEWORTH D. B. EDWARDS
W. H. RAYMOND CHESTER S. MYRICK F. E. ATKINS GEO. J. J.



Conflagration-Proof Insurance




Losses paid to date, - - over \$164,000,000

PACIFIC DEPARTMENT

GERMAN AMERICAN PHOENIX OF HARTFORD

GERMAN ALLIANCE. PROTECTOR UNDERWRITERS



EQUITABLE FIRE & MARINE INSURANCE CO.

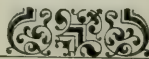
Geo. H. TYSON GENERAL AGENT.
HERBERT FOLGER, ASST. GENL. AGENT

SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



YOUR CARD

as a representative of the "Oldest Life Insurance Company in America" will prove your best introduction

The Mutual Life Insurance Company of New York

Impregnable Strength

Incomparable Dividends

Maximum Benefits

Minimum Net Cost

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

COAST REVIEW POSTERETTE

Be a Joiner
Join
Our

DON'T WORRY CLUB AND LIVE LONG IN THE LAND

Insure Against Loss by Fire, Casualty,
and Untimely Death

Then Challenge Fate

for FATE THUS DEFIED IS FATE ALLIED

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00

Net Surplus, 295,338 00

Total Assets, 1,278,845 00

OFFICERS

W. E. DEAN, President
GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
GEO. L. PAYNE, Treasurer

**HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.**

Special Agents and Adjusters

J. W. WARNER, San Francisco
A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

**Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
and at the rate of "Dollar for Dollar."**

Western Department, Chicago, HENRY J. WOESSNER, Gen'l Agt.
Eastern Department, Philadelphia, FRANK C. STURTEVANT, Manager.
Middle East Department, Pittsburg, LOGUE BROS. & CO., Gen'l Agts.



**LTD.
OF LIVERPOOL, ENGLAND.**

INCORPORATED 1861

**Pacific Department, - 332 Pine Street
SAN FRANCISCO, CAL.**

SAM B. STOY, Manager

**THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM
AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES**

Pacific Coast Casualty Co. *Of California*

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00.

Assets, : : 1,231,513 10

T. L. MILLER President
CARL G. BROWN Vice-President
H. A. BAUER Secretary
C. P. JONES Asst. Secy.

DIRECTORS.

Henry E. Bothin	E. F. Green
Edward L. Brayton	Carl G. Brown
Marshal A. Frank	J. H. Bennett
Allen I. Kittle	Geo. W. Turner
F. P. Deering	H. W. Goodall
W. P. Johnson	

**Head Office: Merchants Exchange Bldg.
San Francisco**

ESTABLISHED IN 1845

Prussian National

Insurance Company

(OF GERMANY)

CAPITAL, \$2,250,000.00

ASSETS, 5,130,876.07

United States Branch

171 LaSalle Street, Chicago

HAROLD W. LETTON,

General Manager

JOHN A. PRINSEN, General Agent

315 South Broadway

LOS ANGELES, CAL.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-three Years for

Low Rate of Mortality

Economy of Management

Prompt Payment of Claims

GROSS ASSETS, OVER - - - \$19,500,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Hellman Building) LOS ANGELES, Cal.



The Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

**SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop**

LIFE

Jacob A. Jackson, the literary gentleman of the Mutual Life is delivering lectures to agents of the company in the Pacific West.

Neenah, Wis.—The Sons of Hermann, a fraternal insurance order, is no more. The members refused to pay the increased assessments, preferring dissolution and a cash dividend of \$50 each.

The Manhattan Life has just received notice of the death of its oldest policyholder, Samuel Griffin, of Riverhead, Long Island, who died at the ripe old age of ninety-one years, eight months and twenty-two days. Policy No. 127 was held by Mr. Griffin, and was issued December 27, 1850, on the whole life plan. Though many of the annual dividends were withdrawn in cash, the company will pay to the estate 130 percent of the gross premiums paid by the insured.

The Metropolitan Life Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

SAN FRANCISCO

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company
his leader. That company is certain to
be the Continental = = = = =

HENRY EVANS, President

Pacific Coast Representatives:

A. G. NASON & CO., San Francisco

F. P. WILSON, San Francisco

G. L. McINTIRE, Los Angeles

W. A. WILLIAMS, Portland

G. L. A. LAUER, Seattle

J. A. CARLSON, Spokane, Wash.

J. C. WICKLER, Sacramento

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



FOUNDED 1806

Funds Exceed - - \$ 47,500,000

Annual Income Exceeds 6,500,000

Claims Paid Over - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON—Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BRODENSTEIN—California, Nevada, Colorado and Utah.

APPLICATIONS FOR AGENCIES INVITED

FIRE INSURANCE

New York Fire Insurance Exchange

It is estimated that there are more than 300,000 buildings in the territory of the Exchange, which rates them and their contents. There are twenty-odd schedules applied to different classes of risks. No single schedule has been found suitable for all classes of risks.

The lowest rates are by the application of the restricted sprinkler schedule.

In 1900 the Exchange adopted a table to be used to compute the exposure charge, but the rigid application thereof produced a charge considered too high.

The rules and their application have resulted in injustice and absurd inconsistencies.

The Exchange is criticized for its tardiness in recognizing improvements.

Advances after the San Francisco fire ranged from 10 to 28 percent. The New York department charges unfairness in the application of the advance, as it should have been equitably distributed over the conflagration areas of the country. In one district this advance was not applied for two years. It is now found that, after the abrogation of these advances, a number of classes are now rated higher than before the San Francisco fire.

The underwriting profit is 14 percent.

Big corporations and trade organizations, and large insurers controlling property outside, receive special favors.

The Exchange control over brokers prevents competition from outside companies.

These facts are drawn from the report of the New York insurance department examiners.

U. S. Manager Post of the Caledonian is in Europe.

Nearly a hundred Cincinnati employees of the Phœnix are transferred to Hartford.

But What's the Good?

Again it is found that 71 percent of the Texas fires are preventable. And the percentage grows no smaller.

Puzzling to the Poor Publisher

The insurance journal swears in eloquent and convincing language that rates are not too high, that they are in fact too low, and then enters a group of free lances which cut these rates, and thereupon some of the pledged companies pay "excess" commissions in the certainty that a part thereof will be rebated in order to get and hold business. It is an electronious, felonious world, my masters!

It is said that — — — will be president at Washington when C. K. Holloway gets his Sacramento fire mutual safely started.

The National Union Fire of Pittsburg charges that the suit begun against it by the Western Adjustment Company of Chicago to recover for a check lost in the mails is merely the outgrowth of ill feeling of long standing. The National Union says it criticised the methods of the adjustment company and its handling of salvage, and now purposes to make public its charges when the case comes to trial.

MARINE.—The str Queen Alexandra was pronounced unseaworthy, but the owners insisted on her going to sea. The insurer, the Fireman's Fund, takes the stand that therefore the owners of the ship assumed the risk. The owners insist that the ship was in danger of being wrecked and therefore the average should be general. The insurers say the average should be particular, as the owners sent an unseaworthy vessel to sea.

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Net Surplus
\$8,238,392.50
Surplus as to
Policyholders
\$13,238,392.50



Cash Assets Now
\$23,051,531.36

Losses Paid
in
94 Years
\$132,981,553.48

All Losses Paid in Cash Without Discount Immediately Upon Adjustment

W. H. BREEDING, General Agent

E. S. LIVINGSTON, Asst. General Agent

**Main Office, 301 California Street
SAN FRANCISCO**

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, General Adjuster

G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR, FRED H. ROADS

This Company has absolutely no connection with any other corporation bearing the name of AETNA.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21

Surplus to Policyholders 10,513,692 22

Losses Paid. Over . . . 158,607,806 00

PALACHE & HEWITT, General Agents

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

J. J. DENNIS

P. H. GRIFFITH

WILLIAM S. DENNIS

NEIL STEWART

C. E. MILLER

M. E. SPAULDING

J. HENRY WOLBOLD

GEO. E. DEVINE

R. E. DOLLARD

L. H. EARLE

September, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 43d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 85

San Francisco, California, U. S. A.

Number Three

Entered at San Francisco Postoffice as second-class mail matter

Knockin' on wood seems to have done little good lately.

‡‡

The man who is never ill—Faymonville.

‡‡

The man you can't down—Brown.

‡‡

The man who always smiles—Miles.

‡‡

It was remarked that the Wyper hart ford pen-and-ink stand had no wiper.

‡‡

Scarcely anything is more unprofitable than dishonesty—insurance not excepted.

‡‡

Money is said to be very much intoxicated in Europe, and many borrowers find themselves in tight places.

‡‡

We never suppress court decisions that are unfavorable to an advertiser.

‡‡

July and August were unusually fiery months on this Coast, the losses sending the Coast loss ratio of a number of companies up to 55 percent.

‡‡

Apparently the harder the times the better the life insurance business, for nearly all the companies are reporting handsome gains over the first half of last year. Perhaps, when a business man feels like suicide he doubles his life insurance. General business is generally dull.

No business is more dependent upon public confidence for its permanent success than that of insurance, and, to a very large degree, the responsibility for maintaining its good repute rests upon the agent and the ability, honesty and fairness with which he deals with the public.—Henry D. Appleton, Depty. Supt. Ins., State of New York.

‡‡

According to the Review of New York, Geo. E. Kline, vice president of the Continental, plays a wonderful game of golf.

‡‡

Breakers that break are ahead of the Modern Woodmen order. The undertow is strong and the rocks are jagged.

‡‡

Excepting the pyramids of Egypt there are no fireproof buildings.

‡‡

Missouri is the laughing stock of the whole civilized world.

‡‡

There is little warrant for the war rant we read in the yellow journals.

‡‡

A warehouse in Constantinople recently insured against riot in the sum of \$250,000, at 12s percent.

‡‡

Rates on insurance against riot in Belfast have doubled.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

Fire Insurance in Court

Iowa—*Farmers' Mercantile Co. v. Farmers, Ins. Co.*, 141 N. W. 447

Adjustment of Loss — Effect of Provisions of Policy

Where insured after a loss fails to separate the damaged goods from the undamaged and to place the goods in the best possible order, as required by the policy, but on the contrary sells goods before the insurer has an opportunity to inspect them or appraise the damage, unless compliance with the policy is waived, there can be no recovery; these acts constituting a manifest breach of the policy and placing it out of the power of the insurer to ascertain or appraise the damage.

Waiver by Adjuster

Under Code providing that any officer, agent or representative of an insurance company who may solicit insurance, procure applications, issue policies, adjust losses, or transact the business generally of such companies shall be held to be its agent, with authority to transact all business within the scope of his employment, notwithstanding anything in the application, policy, etc., to the contrary, an adjuster could waive compliance with a provision of a policy requiring the insurer to separate the damaged from the undamaged goods and to place them in the best possible condition.

Questions for Jury

In an action on a policy, which required insured after a loss forthwith to separate the damaged from the undamaged goods and put them in the best possible order, where there was testimony tending to show that insured immediately after a fire commenced selling goods, owing to the fact that practically the whole town had been destroyed, and that there was no other place to obtain such goods; that when the adjuster arrived two days after the fire he observed that they were selling goods and assented thereto, but insisted upon the separation of the

damaged from the undamaged goods; that a proposition for settlement was made by insured and a counter proposition by the adjuster; that he insisted upon an inventory, although not required by the policy, claiming that an inventory of the damaged goods was necessary to enable him to adjust the loss; that thereafter insured secured additional help, arranged the goods, to some extent separated the damaged and undamaged goods, and incurred considerable expense; that the adjuster did not subsequently return or do anything further towards attempting an adjustment; and that insured thereafter furnished proof of the loss—it was a question for the jury whether the adjuster waived strict performance of the requirement that the goods should be separated forthwith, or waived the right to insist upon a forfeiture because of the sales before his arrival.

Where it appeared that the goods were removed from a building threatened by fire, and after the fire had subsided replaced in the building, necessarily resulting in great confusion, and that the insurance adjuster, after a visit to the store two days after the fire, did not again return for any purpose connected with the loss, it was a question for the jury whether at the time of his visit a reasonable time had elapsed for separating the goods and placing them in the best possible order.

"Forthwith"

Under a policy requiring insured after a loss forthwith to separate the damaged and undamaged goods, and put them in the best possible order, "forthwith" meant within a reasonable time, considering all the facts and circumstances attending the loss or damage.

Payment — Replacing Destroyed Property

A policy providing that the insurer should not be liable beyond the actual cash value of the property, and that its liability should in no event exceed the cost to the insured

of repairing or replacing the property loss or damage with material of like kind and quality did not entitle the company to repair or replace the property in lieu of paying the amount of the loss.

Measure of Damages—“Actual Cash Value”

Under a policy providing that the insurer should not be liable beyond the actual cash value of the property, and that its liability in no event should exceed what it would cost the insured to repair or replace the property loss or damage with material of like kind and quality, there being no provision authorizing insured to abandon the property to the insurance company, and the provision mentioned in itself affording no rule for measuring the damages, the measure of damages was the cost of replacing the property less the salvage, which would be the difference between the fair and reasonable market value before and after the fire; the “actual cash value” being the fair market value.

South Carolina—Rawl v. American Cent. Ins. Co., 77 S. E. Rep. 1013

Payment to Mortgagee—Effect of Provision

An insurance policy making the loss payable to a mortgagee, as his interest appears, insures the owner's, and not the mortgagee's interest, and the latter's interest depends upon the breach or performance of the contract by the owner.

Cancellation of Policy—Notice to Mortgagee—Necessity

A fire policy provided that the loss, if any, should be payable to a person named therein, as his interest might appear, subject, however, to the conditions of the policy, and that if, with the company's consent, an interest should exist under the policy in favor of a mortgagee, the conditions should apply in the manner expressed in such conditions relating to such interest as should be attached hereto, and further provided that “this policy shall be canceled at any time at the request of the insured, or by the company, by giving five days' notice of such cancellation.” Held, that the company was bound to give five days' notice of cancellation to the mortgagee named in the policy,

to whom the loss was payable as his interest appeared.

In *Lattan v. Royal Insurance Co.*, 45 N. J. Law, 453, the precise point was involved, and it was held that the mortgagees were entitled, under the terms of the policy, to notice of cancellation. In that case the court said: “A mortgagee under such a policy takes the contract of insurance subject to the conditions of the policy, and under the liability to have his rights defeated by a breach of the conditions of insurance by the assured; but nevertheless he takes under a contract with the insurer to pay his according to the terms of the policy. *State Insurance Co. v. Maackens*, 38 N. J. Law, 564. The contract with the mortgagee is for insurance for the full term for which the policy is issued. The condition in question does not specify to whom notice shall be given, and on the plainest principles of justice the insurer, under such a stipulation, cannot terminate the contract of insurance by withdrawing it before the expiration of the term specified by the contract without notice to the mortgagee. So far as the interest of the mortgagee is concerned, cancellation of the policy without notice to him would be unavailing.”

We conclude that the plaintiff was entitled to five days' notice of cancellation under the allegations of the complaint, and that the demurrer should have been overruled.

Texas—Hartford Fire Ins. Co. v. Adams, 158 S. W. Rep. 231

Provisions for Forfeiture—Validity

A provision of a policy of insurance on a stock of merchandise requiring the taking of an inventory within 12 months of the last preceding inventory, or, if no inventory had been taken within 12 months of the date of the policy, then within 30 days after the date of the policy, and providing that if this was not done the policy would be void, was valid and enforceable.

Forfeiture—Failure to Take Inventory

Where a policy of insurance on a stock of merchandise required an inventory to be taken within 30 days after its date, and provided that a failure to do so would render

the policy void, noncompliance with this provision avoided the policy, and it could not be revived by taking the inventory after the expiration of 30 days and before a fire without the insurer's consent.

The insurer could not be compelled to accept the invoices of the goods purchased by the insured in lieu of an inventory, since it would be assumed that, by stipulating for an inventory, the parties contemplated that there was a practical and substantial difference between an inventory and invoices, especially as the invoices would have no verity as evidence of goods received into the stock of merchandise unless it were shown by other evidence that the goods were checked therewith and found correct, and the goods represented thereby actually received and added to the stock before the close of the period for which they were to be used as an inventory, and the furnishing of the invoices not being a compliance with the policy, the rule of substantial compliance did not apply.

Mutual Fire Insurance in Court

Amended Oregon Law

Oregon—*Oatman et al. v. Bankers' and Merchants' Mut. Fire Relief Ass'n*

Insurable Interest—Wife's Property

The insured cannot recover on a fire insurance policy, running to him, on his wife's interest in the insured premises, as his interest in his wife's property is not deemed an insurable interest, within the rule that an insurable interest exists only when the insured would lose in case the property should burn.

Insurable Interest—In General

In an action on an insurance policy, plaintiff must allege and prove that the insured had an insurable interest in the property, both at the time of the making of the contract of insurance and at the time of the loss.

Title of Insured—Statute

Where the ground on which the house of insured was situated was owned partly by others than the insured, and the policy contained a provision, as required by L. O. L. § 4666, as amended by Laws 1911, pp. 297-284, that, if insured was not the sole and unconditional owner in fee simple of the

ground, the policy would be void unless otherwise agreed in an indorsement on the policy, and there was no such indorsement, the policy was void.

Construction—Language to Be Followed

L. O. L. § 4666, as amended by Laws 1911, pp. 279-284, which requires insurance companies to state in their policies that, if the insured is not the sole and unconditional owner in fee simple of the ground covered by the insured building, the policy shall be void, unless otherwise agreed in an indorsement thereon, and imposing a penalty for failure to make such provision in their policies, must be construed according to its language as making a policy containing such provision, and lacking the indorsement under such circumstances, void.

Severability

Where a policy covers a house and also personal property, and the insurance on the house is void because there was no indorsement, as required by the policy, that insured were not the sole owners, the insurance on the personal property is not rendered invalid as the two parts are severable.

The evidence shows that the deed referred to in the foregoing instruction was made by Mrs. Emma Dement, and that all the interest that she had or conveyed was her right of dower in said premises, and she conveyed this dower right to Mrs. Oatman, Mr. Lane, and J. B. Harris, Mrs. Oatman and Mr. Harris are not among the beneficiaries of the policy issued, and all the evidence as to the fee-simple title of the land, upon which the dwelling house is situated, tended to show that it was vested in a number of heirs who were not beneficiaries of the policy. It is evident that the plaintiffs acted in good faith in obtaining this policy, and that the defendant's agent knew substantially what the facts were as to the title of the real premises, but the statute referred to, supra, declares that a policy issued as this was issued is void. It is our duty to obey the mandate of the law and hold that it is void as to the dwelling house. It follows that the above instruction of the court below was erroneous. The judgment of the court below is reversed and a new trial granted.

Fire Legal Brevities

An agency to procure fire insurance does not necessarily confer power to cancel insurance, but such an agency terminates when the insurance is procured and the policy delivered to the principal.—*Interstate Fire Ins. Co. v. Nelson*, 62 So. 425.

§ 336 (Miss.) A two-story sample room, connected with a hotel and used by guests of the hotel to display their wares, is within a fire policy covering the hotel and additions thereto attached, and subsequent insurance on the sample room alone is within the policy permitting concurrent insurance.—*Id.*

A fire policy stipulating for concurrent insurance up to a specified amount is valid and will be enforced, and concurrent insurance in excess of the amount specified invalidates the policy as therein provided.—*Id.*

Where an insurance company pleads a breach of condition against concurrent insurance and the reply sets up a waiver, and the policy authorizes concurrent insurance, it is unnecessary to prove the alleged waiver.

It was not error to refuse to allow a special adjuster, not an officer of the company and with no power to decide whether a loss should be paid, to testify as to whether or not the company had refused to pay the loss because of concealment of additional insurance.

§ 668 (Okl.) In an action on an insurance policy, where a false and fraudulent misrepresentation is alleged and the evidence is conflicting, the question is for the jury.—*Springfield Fire & Marine Ins. Co. v. Null*, 133 P. 235.

Where a property owner contracted with an insurance agent to insure his property, and paid him the premium, the agent to keep the property insured, and where, after cancellation of two consecutive policies, the agent placed the insurance in defendant company and began to write the policy, but the property was destroyed by fire before it was finished, the agent's acts constituted a binding contract of insurance with defendant.—*Wilson v. German-American Ins. Co.*, 133 P. 715.

Failure to make proofs of loss within a specified time does forfeit the rights of the insured, unless there is an express provision in the policy imposing such forfeiture.—*Id.*

Under Sess. Laws 1911, c. 49, § 33, where insurance was written at less than the scheduled rate, held that an action would not lie to recover the difference in the premium; the contract not being void, and there being therefore no implied contract to pay the scheduled rate.—*Way v. Pacific Lumber & Timber Co.*, 133 P. 595.

When a policy of insurance does not conform to the contract which it purports to evidence, and the insured accepts the policy in the belief that it does conform, equity will reform the instrument.—*Fidelity Phenix Fire Ins. Co. v. Hilliard*, 62 So. 585.

In order to permit the reformation of an insurance policy, the want of conformity of the policy to the actual agreement of the parties must have been occasioned by a mutual mistake.—*Id.*

Where a fire policy contained a clause providing for invalidity in case of vacancy, an indorsement on the policy authorizing vacancy waived a prior vacancy and continued the policy with the same binding force as it originally possessed.—*Caledonian Ins. Co. v. Smith*, 62 So. 595.

A policy of fire insurance in the standard form permits occasional or incidental vacancies for less than ten days.—*Tracy v. Queen City Fire Ins. Co.*, 61 So. 687.

Where insured in a policy covering a stock of merchandise furnished all the proof of loss that he could because of the loss of the original bills rendered and who furnished copies of statements by merchants from whom he had made the purchases and an unverified invoice of the goods, he substantially complied with the policy requiring a verified statement containing the cash value of each item and the amount of loss.—101 N. E. 734.

A fire policy invalidated by an assignment before loss is not so invalidated unless there is an actual transfer, either by actual delivery or in writing, and a mere promise by insured to assign, and a subsequent state-

ment by him that the policy has been assigned, will not void the policy where in fact there has been no legal assignment.—101 N. E. 843.

Where insured claimed a total loss of its bank building, but had used some of the standing walls and fixtures, evidence that they were practically worthless and had been used to expedite the reconstruction, as to the difficulty of rebuilding, the expense of shoring the walls and the settling of the floors held admissible as bearing on the claim of a total loss.—86 A. 1056.

An agent who has authority to issue and deliver policies has authority to bind his company by the redelivery of a policy theretofore canceled.—Austin Fire Ins. Co. v. Sayles, 157 S. W. 272.

Marine Insurance in Court

Federal—New York & P. R. S. S. Co. v. Etna Ins. Co. 204 F. 255

Construction of Contract—Effect of Rider

The effect of a rider, attached by the insurer to a marine insurance policy, containing a clause that "the terms and conditions of this form are to be regarded as substituted for those of the policy to which it is attached, the latter being hereby waived," is to displace all the terms of the policy, leaving only the formal parts, and substitute those of the rider, and the insurer cannot invoke, as a defense to an action thereon, a limitation contained in the policy, but not in the rider.

Loss Through Peril of the Seas

The breaking of the propeller blades of an ocean steamer on a voyage is a loss through perils of the seas, within the terms of a marine policy, where it is shown that the propeller was new, and no latent defects were found therein.

Defenses

Conceding that it is the American rule that if a vessel is in a port where repairs may be made, and through negligence they are not made, an insurer cannot be held liable for loss resulting therefrom, it was not such negligence as to relieve an insurer from liability for a steamship to leave port on her return voyage with two of her four

propeller blades broken off at half their length, when she had safely navigated for 15 days on her outward voyage in the same condition, and the loss was caused by the stripping off of all the blades by some unknown agency.

Seaworthiness

The steamer was concededly seaworthy when she left New York, and we do not think she was unseaworthy when she sailed from San Juan on her return voyage. The burden of proving unseaworthiness is, in the federal courts, upon the underwriters. We find no lack of due diligence in the master in proceeding on the voyage in her then condition. His experience seems to have justified it. The first two blades of the propeller were broken December 15th, and after reducing the pressure in the intermediate cylinder the steamer ran at her usual speed to San Juan, arriving December 17th. From there she proceeded without any trouble to Jobos, Ponce, Mayaguez, Guanica, back to Jobos, and San Juan, leaving on her return voyage December 28th, and not breaking the rest of the blades until December 31st. It is the object of insurance to protect owners, among other things against the negligence of their servants. We do not discover, under Insurance Company v. Smith, such lack of diligence in the master as would discharge the respondent from liability.

Life Insurance in Court

Oregon—Mutual Benefit Life Ins. Co. v. Cummings et al.

Adoption of Name—Right to Adopt

A person may adopt or assume a different name from his true one and carry on business and make contracts under the fictitious name.

Designation of Beneficiary

When a life policy is issued and delivered, naming a beneficiary without a reservation of power on the part of the insured to change, an irrevocable trust is created.

Right of Mistress to Proceeds of Policy

Where a man, who had deserted his lawful wife and was living and cohabiting with another woman, took out a policy in the

latter's favor, designating her as "wife," the contract being wholly made for her benefit, she is entitled to the proceeds of the policy as against insured's true wife, for a person may insure his own life in favor of one having no insurable interest in his life; the fact that the beneficiary was named as his wife, and had adopted his surname not affecting her rights, for a person may adopt a fictitious name.

South Carolina—Thompson v. Equitable Life Assur. Society 78 S. E. 439

Assignment

Where a policy showed on its face that it had been assigned in compliance with its requirements, the fact that the assignment was indorsed thereon by the company after the death of the insured, but before it had knowledge thereof, is no equitable reason why the court should set aside the indorsement; it not appearing that the rights of the company will be prejudiced in any way by the indorsement.

Proof of Loss—Waiver—Admission of Liability

Where an insurance company in an action upon a policy of life insurance by its answer admits liability and alleges that it does not know to whom to pay the money, it cannot raise the question that there was a failure to furnish proof of death before the commencement of the action.

South Carolina—Parry v. Southeastern Life Ins. Co. 78 S. E. 442

Nonpayment of Premium—Forfeiture—Waiver

An insurer issuing a life policy stipulating for forfeiture for nonpayment at maturity of any renewal premium, and accepting a premium note declaring that the policy shall be void on failure to pay the note at maturity, does not waive a forfeiture for nonpayment at maturity of the note by writing to insured a letter stating its disappointment at insured's failure to pay and requesting him to request time in which to pay.

The statute extending the time of forfeiture of life insurance policies in certain cases, by its express provisions, does not apply to a policy of term insurance for one year.—*Wylie v. Jefferson Standard Life Ins. Co.*, 87 S. E. 745.

Industrial Life Insurance in Court

Missouri—Wallace v. Prudential Ins. Co. of America, 157 S. W. Rep. 1028

Statements of Agent

A statement by an agent writing industrial insurance that the policy would be paid to whoever produced it, and that it was unnecessary for the insured to designate the beneficiary, is binding on the insurer, for in this class of insurance the agent who collects the premium and delivers the policy is the only one of the insurer's officials with whom the insured comes in contact, and his statements as to the mode of payment will constitute a waiver of the provisions of the policy.

Necessity of Administration

It should be the policy of the law to enforce industrial insurance policies which are taken out chiefly for the purpose of procuring a decent burial without the necessity of administration.

Life Legal Brevities

Partial payment of a life insurance premium held not effective to keep the policy in force unless the agent does something operating as a waiver of a full payment.—*Slocum v. New York Life Ins. Co.*, 33 S. Ct. 523.

Acceptance by local agent from wife of insured of a check for a partial payment of the premium then due, with delivery of a "blue note" for insured to sign, did not continue insurance in force where insured died without signing the note and to the knowledge of insured and his wife the agent was without authority to waive full payment, save conformably to "blue note plan," and the company did not ratify the agent's acts.—*Id.*

Where applicant did not give the name of physician who had attended him a short time before the application for a serious disorder, the court should have instructed, as a matter of law, that the false statements were material and the policy void.—*Rigby v. Metropolitan Life Ins. Co.*, 87 A. 428.

Where insurer permits the insured to pay premiums without giving him notice that it has exercised its rights to declare the policy

void, and the insured pays the premiums believing the insurance valid, the insurance may be validated thereby.—*Melick v. Metropolitan Life Ins. Co.*, 87 A. 75.

Under Laws 1892, c. 690, and Insurance Law § 88, policy held extended by the reserve until after insured's death where the reserve computed, as required by statute on the date to which it was extended by premium notes, would have so continued it.—*Taylor v. New York Life Ins. Co.*, 102 N. E. 524.

Articles of incorporation of a mutual assessment insurance company, together with its by-laws and other writings entering into the contract of insurance, construed, and held that thereunder neither the guaranty deposit made by a member when he is admitted nor any part of the association's guarantee fund can be applied in payment of delinquent assessments.—*Bond v. Bankers' Life Ass'n of Des Moines, Iowa*, 133 P. 854.

A provision in an application that the policy together with the answers to the various questions in the first part of the application shall form the only basis of the agreement between insured and the company held to waive the falsity of answers in other parts of the application with reference to occupation, health, etc.—*Tennessee Life Ins. Co. v. Nolen*, 158 S. W. 775.

Where a policy in a mutual insurance company did not authorize the levy of an assessment to pay anticipated losses, an assessment to pay such losses being invalid, failure to pay same was not ground for a forfeiture of the policy. — *Ibs v. Hartford Life Ins. Co.*, 141 N. W. 289.

One procuring a life policy is only chargeable with such fraud or concealment of his physical condition as is knowingly made by him with intent to defraud the company, and is not chargeable with fraudulent concealments of the examining physician.—*McCombs v. Travelers Ins Co. of Hartford, Conn.*, 141 N. W. 328.

A notice sent by an agent of a life insurance company that the annual premium on insured's policy is past due, with a request for payment, did not change the term of the

contract as to the date of its conversion into a paid-up policy of term insurance.—*Cady v. Travelers Ins. Co.*, 142 N. W. 107.

Accident Insurance in Court

Defendant Insurer Refused to Pay Physician's Claim for Accidental Infection by Surgical Operation

Maryland—*Maryland Casualty Co. of Baltimore v. Ohle*, 87 A 763

Sufficiency of Evidence

In an action on an accident insurance policy, which insured a surgeon against loss of sight caused by blood poisoning during a professional operation, evidence held sufficient to show that the loss of sight, occurring more than five months after the operation, was due to infection received at that time.

Notice of Loss—Time

In a clause in an accident insurance policy, which required notice of injury to be given as soon as might be reasonably possible, a notice given by a physician of loss of sight, due to infection during an operation five months after the injury was received, but as soon as he learned that his sight was destroyed, was sufficient.

Infectious Disease

The uncontradicted evidence shows that the appellee contracted an infectious disease from a patient while delivering her in childbirth, in the month of October, 1909. He was subsequently treated and attended by experienced physicians and specialists in Baltimore city, down to the 4th of April, 1911, when the disease resulted in the loss of sight of both of his eyes caused by blood poisoning from the wound suffered in the professional operation testified to by the plaintiff.

The Rider

The language of the rider attached to the policy in this case, we think, is clear and unambiguous and must be construed according to the sense and meaning of the terms which were used by the parties making it. By its terms it extends the insurance clause of the policy to physicians or surgeons, and expressly stipulates that the insurance under this policy is extended to cover against death, loss of limb, or sight, total or partial

disability caused by blood poisoning from septic matter introduced into the system through the wounds suffered in professional operations. The object and purpose of the rider was to protect and secure indemnity against total or partial disability caused by blood poisoning from septic matter introduced into the system through wounds suffered in professional operations. The undisputed facts disclosed by the record, we think, bring this case within the terms and meaning of "the rider" attached to the policy, and covers the claim provided for and the loss insured against in the policy.

The words "as soon as may be reasonably possible" as used in accident insurance policies, and relied upon by the appellant to defeat a recovery in this case, have frequently been before the courts for construction, and have been held to mean a reasonable time after the accident occurs, under the facts and circumstances of the particular case. In *McElroy v. Life Ins. Co.*, 88 Md. 148, 41 Atl. 115, 71 Am. St. Rep. 400, it is said: "It cannot reasonably be supposed that the holder of the policy could be required to give proof of a fact of which he was himself ignorant. To decide that one was not duly diligent, and that he lost his right as beneficiary because he did not give notice of a policy of which he knew nothing, would be more strict and exigent than in our opinion the language of the policy requires. There was timely notice given after the fact of insurance came to the knowledge of the plaintiff. This delay in finding the policy was not strange and unexceptionable. On the contrary, it appears to have been entirely consistent with good faith." The case of *People's Mutual Accident Association v. Smith*, 126 Pa. 317, 17 Atl. 605, 12 Am. St. Rep. 870, is directly in point, and resting upon somewhat similar facts to the case now under consideration.

We do not suppress news nor court decisions. Behold our legal department for July.

Usually the company that must economize is so badly managed that it must also economize in its loss-paying department.

Money grows on trees on the Pacific Coast.

Liability Insurance in Court

Massachusetts—*Graustein & Co. v. Employers' Liability Assur. Corporation*, 101 N. E. 1073

Employer's Liability Policy

A policy insured plaintiff against loss from liability imposed by law for damages on account of bodily injuries accidentally suffered by any person or persons whomsoever, other than plaintiff's employees, while within or on plaintiff's premises at the location described in the schedule, or the premises or ways adjacent thereto, by reason of the operation of the trade or business described in the schedule. Plaintiff was engaged in the milk business, the location described being "Charlestown Stable, East Cambridge, and elsewhere in service of employers." The business described in the schedule was "all operations incidental to the business of milk and dairy business. Plaintiff loaned an ice chest to S., and being notified to remove it, sent a team with two employees to the store of S., and while so engaged one of the employees struck S., for which he instituted a suit against plaintiff, which defendant declined to defend, on the ground that it was not within the policy, after which plaintiff settled with S., and sought to recover the amount paid. Held, that the policy was limited to accidents occurring within or on the premises of plaintiff at the location described in the schedule, or the premises or ways adjacent thereto, and that the words "elsewhere in service of employers" did not mean anywhere that plaintiff was engaged in doing any of its business, but was confined to the location of assured's premises, and hence the assault, having occurred at the store of S., with which plaintiff had nothing to do, was not within the policy.

Accident Policy—Waiver

Plaintiff's employee having committed an assault on S. on the latter's premises in the course of plaintiff's business, plaintiff claimed that defendant was liable for the amount paid in settlement of S.'s claim, on an accident policy carried by plaintiff insuring against loss from liability imposed by law for injuries accidentally suffered by third persons under certain circumstances

Defendant's superintendent wrote plaintiff a letter distinctly denying liability under the policy on the sole ground that the injury to S. was based entirely on an assault and that the policy did not cover such an injury. Held, that such letter was not a waiver of defendant's claim that the injury was not within the policy, because it did not occur on or adjacent to the place specified in the schedule where plaintiff did business.

Liability Legal Brevities

An employer's liability company, by defending a suit for injuries to a minor employee, held not to have waived its right to claim that it was not liable under a clause in the policy excepting from the insured risk liability for injuries to persons employed in violation of law.—Buffalo Steel Co. v. Etna Life Ins. Co., 141 N. Y. S. 1027.

Where a boy under 16 was innocently employed to operate a dangerous machine, in violation of the labor law, and on being injured recovered judgment against plaintiff for negligence in failing to warn, plaintiff could not recover on an employer's liability policy excepting loss from the employment of any person in violation of law.

An employer's liability policy, excepting from the risk insured a loss from injury to a person employed in violation of law, should not be limited to cases where the injured employee was "negligently" or "knowingly" employed in violation of law.—Id.

Liability Insurer of Contractor Is Liable for Judgment Against City for Accident to Pedestrian

A policy indemnifying a sewer contractor against loss by liability imposed by law for damages on account of bodily injuries covers a liability for damages for personal injuries sustained by a pedestrian falling into an unguarded sewer trench in the street.

A judgment against a city employing a sewer contractor in favor of a pedestrian injured by the negligent failure to guard open sewer trenches is binding on the contractor and his insurer against loss, though they were not parties but defended the action, and establishes the liability of the

insurer to the contractor liable to the city on the judgment.—Kibler v. Maryland Casualty Co., 132 P. 878.

Who Was the Company's Lawyer?

Where an insurer, after twice receiving notice of the death of the insured, wrote the beneficiary that the policy would be paid, and that litigation would only complicate matters, conditions in the policy requiring proofs of death to be upon blank forms furnished by the insurer were waived.

A condition in the policy as to bringing an action within a limited time was also waived.—Continental Casualty Co. v. Hunt, 101 N. E. 519.

In This Company a Slight Blow and Fatal Fall is Not an Accident

In an action on an accident insurance policy providing that the insurer's liability should be one-fifth of the amount otherwise payable if injury resulted from intentional act, recovery was limited to the one-fifth, where insured was intentionally struck a slight blow without intent to kill, and fell, striking his head on the pavement and fatally fracturing his skull.—Ryan v. Continental Casualty Co., 142 N. W. 288.

Life Policy Not a Part of Decedent's Estate for Payment of Debts

§ 583 (Fla.) Under Act Feb. 1872 (Laws 1872, c. 1864), as amended in 1897 (Laws 1897, c. 4555), where a life policy is payable to the executors, administrators, or assigns of a decedent, it is payable to the surviving widow and children of the decedent, and is not a part of decedent's estate for the purpose of paying debts or distribution.—Bradford v. Watson, 62 So. 484.

The person who always "answers back" is usually weak of will and character. A "drinking" person is usually of this kind; and a young man who must always retort has nerves which some day will demand stimulants.

Any well managed fire company can avoid great conflagration losses—by keeping out of great cities.

INSURANCE OF ALL KINDS

Local Insurance Men Should Advertise in Local Papers

Advertising pays. If you doubt, ask successful Jewish merchants, who are the largest advertisers in this country.

The local insurance agent should advertise in his local papers—and pay the cost himself. He should advertise to make his name and business jointly known; and as he pays the cost he should receive the chief benefit by giving his name and business the greater prominence or display. "JOHN JONES—INSURANCE" should be at the top and in the largest type. That announcement will be seen and read, because "he who runs may read" it. Below in smaller type "The Boom Insurance Company" and "Surplus" and "Percent of Surplus" and the like may follow in attractive smaller array.

By doing this the agent has won the good will of the publisher and additional publicity as occasion may offer. His name and calling and affairs are in each issue of the paper laid before many more persons than the cost would pay for postage on letters or circulars.

Everybody advertises in some way, and this has been true ever since men were cave-dwellers and scratched symbols or pictures on the rocks rolled before their cave entrances. Some advertise themselves by their clothes, or their theater-box or type of house, or span of horses or automobile, or train of beard, or as cup-winners or cup-givers.

Modern life is so swift and complex that we all are forgotten when out of sight. Big men, big institutions, as well as the little, need advertising, need the limelight, to prevent, not obscurity, but forgetfulness.

He had been in the life business himself many years, when he thus unbosomed himself to me: "I much prefer to talk with fire men than life men; for the latter talk shop too much. The average life man lives, moves and has his being in comparisons, dividends, net cost, plans, options, etc.;

and talks little else because he knows little else." Is this true?

Life Insurance in Fiction 60 Years Ago

In "My Novel," published in 1850-53 first, in a monthly magazine, "Dr. Riccabocca," the Italian exile, on his marriage was told of life insurance. "The idea—which had never occurred to the foreigner before, though so familiar to us English people when only possessed of a life income—pleased him greatly." Thus wrote the author, Sir Edward Bulwer Lytton, over 60 years ago.

In recent years, life insurance has attracted the attention of the modern Italian government, which has engaged in the business itself, to the practical exclusion of competition. As in France, matches and tobacco are state monopolies and of rotten quality, so in Italy life insurance may be a state monopoly and of rotten quality, too.

State Insurance in Australia

The dominant labor party of the united states of Australia programs the Commonwealth Insurance Department to engage in all kinds of insurance. The government of the federated states will guarantee its contracts and control its management, after the example of the New Zealand state fire office. Government competition, says the labor politician, has greatly reduced the exorbitant rates charged by private insurance companies.

If fire insurance by the state ever "comes" in this country, it will be attributable chiefly to harsh and unjust loss settlements by companies which prefer a few satisfied stockholders to many satisfied loss claimants.

Not content with driving the horse off the streets, the automobilists now insist on the substitution of "kilowatt" for "horsepower."

Money is like quicksilver—hard to get and easy to lose.

SEVERAL and SUNDRY

Bad System of Taxation

In this country we have taxing methods which are cheap and nasty. They are the devices of laziness and incompetence.

The average legislator is lazy, incompetent and unscrupulous.

Nobody will deny this.

Taxes in the more populous states average \$175 per producer a year.

Revenue is what the taxeater wants and he cares not how it is collected nor how unjustly it is assessed.

Corporation taxes and premium taxes and excessive insurance fees and other special taxes heap up the burdens on the consumer, who pays these taxes in the prices he pays.

All these special taxes, not on profits but on income, are added to prices. The consumer pays the taxes. Neither he, poor fool, nor his fool legislator knows it; but in the nature of commercial things the addition of these special taxes to the prices which we all must pay is inevitable.

Hence, as in shorter work hours and higher wages, the increased cost of living.

Failure of the Heart

The possibility that certain rare and dangerous forms of heart disease will escape detection, and that such patients will not be identified until too late, is still with us. So said several speakers at the recent International Congress of Medicine; and the discussion indicated that not any of the many various means of testing the heart or examining its functional activity can be absolutely relied upon for the detection of obscure heart diseases. This reminds us that the late J. McC. Anderson had just undergone a medical examination and was pronounced fine and fit. A broker, on the strength of the report of the physician, expected to write a policy on the life of Mr. A., who a few days later died of heart disease.

Actual deaths among negroes are 137 percent of the expected deaths according to mortality tables. The colored man of every clime dies sooner than the white man.

Profits Abroad Must Pay Income Tax

The house of lords of the United Kingdom has held that income tax is payable on profits from the foreign investments of a British insurance company which had not been remitted to or received in the kingdom. This decision was the result of the appeal in the test case of the Liverpool & London & Globe Insurance Company v. Bennett, Surveyor of Taxes, which their lordships dismissed.

Of these investments abroad there are three classes. "A" the class where the investments are actually required as a condition of the company carrying on insurance business in the States. This is also the case with class "B," which applies to Canada. With regard to class "C," that consists of sums which the company in its own interests and not by reason of any legal obligation invested in the United States, Canada and Australia.

Not Looking for an Insurance Man, for There Were None

History is ever thus twisted! We have always read that Diogenes went about with a lantern, frequenting the streets and the markets, in unavailing search for an honest man; but now the burning of a junk store by the retreating Bulgarians restores a damaged copy of Antiveritos the Elder, who says Diogenes went about with a lighthorn (now lantern) seeking for an honest farmer. The philosopher had been buying experience from the Greek farmers all his life.

The Press

The Weekly Underwriter of New York, of August 23 issue, prints good reports of the meetings of the American Life Convention, National Fraternal Congress, and Associated Fraternities of America. This first class weekly is also the authority ne plus ultra as the reporter of all insurance legislation. Insurance companies should esteem it an honor to advertise in it.

The Netherlands is now a non-board company.

Fall In Securities Endangers Some Small Net Surplus Companies

The semi-annual statements of this year are very suggestive of disagreeable possibilities for insurance companies having a small net surplus. The decline in market values of standard securities has been large in the past eight months, and there is no present prospect of a recovery of values before December 31, of which date there must be an annual sworn statement. Not a few companies may deem themselves fortunate because no law requires them to make a sworn statement of assets and liabilities at the present time.

A temporary decline of 3, 5 and 10 percent in the value of the assets may impair the capital and persuade the stockholders to retire the company whose statement of January 1 you will find in the Coast Review fire chart.

High Authority Criticised

You know what happens when you are the servant of a corporation. You have in no instance access to the men who are really determining the policy of the corporation. If the corporation is doing the things that it ought not to do, you really have no voice in the matter and must obey the orders, and you have oftentimes with deep mortification to co-operate in the doing of things which you know are against the public interest. Your individuality is swallowed up in the individuality and purpose of a great organization.—Woodrow Wilson. This sounds well indeed—but, is it true? Servants of many corporations have access to the policy-makers. They have just as much voice in the matter as they would if working for an unincorporated company or firm or person. In either case the boss's orders must be obeyed. In neither case does the employee have to co-operate in doing things against the public interest, or what he believes to be "against." And his individuality is "swallowed up" no more for an incorporated partnership than for an unincorporated one.

Metropolitan's Health Campaign

An exhibit, prepared by the Metropolitan Life for the Fourth International Congress on Hygiene, in Buffalo, gives in concise form an outline of much that has been done by the company in its campaign for improved health conditions among its policyholders. The figures showing the magnitude of the work are startling in their size. One of the posters bears the headline "The Need for the Service" (the nursing service), and this shows that there were among Metropolitan policyholders 106,227 deaths in the year 1912, and of these 15,867 were of children under 16 years of age.

The following are the number of pamphlets distributed on some of the topics:

"Living and Sleeping in the Open Air," 2,000,000 copies; "A War Upon Consumption," first edition, 1,000,000 copies; "A War Upon Consumption," second edition, 275,000 copies; "How to Build an Open-Air Shack," 230,000 copies; A List of Tuberculosis Sanatoria, 100,000 copies; "The Child," 500,000 copies; "The Care of Babies," 75,000 copies; "Teeth, Tonsils and Adenoids," 100,000 copies; "Dirty and Clean Milk," 120,000 copies; circulars showing the danger of flies from the standpoint of good health, 210,000 copies; "A Health Campaign," 200,000 copies.

Another poster gives an interesting summary of the number of visits made by trained nurses to Metropolitan policyholders under the free nursing service, which is now established in about 1,500 cities and villages. These figures show the wonderful growth of this service. In 1909 the total number of visits made was 32,362; in 1910 it was 321,078; in 1911, 679,104, and in 1912, 962,117, a total since the service was initiated in 1909 to the beginning of the current year of 1,994,661.

The cost of this service has been:

1909 . . .	\$ 18,280	1911 . . .	\$307,546
1910 . . .	140,527	1912 . . .	440,590

The National Association of Local Fire Insurance Agents has appointed C. H. Woodworth, Buffalo, N. Y., to represent it on the "National Council" of the World's Insurance Congress.

Do Motor-Trucks Pay?

What of the future of motor-trucks? Will they, in increasing number, be sold out to the insurers? Or will they be good risks because a saving over the use of horses? It is too soon to answer. At present there is a sort of highly promoted craze for these expensive vehicles in cities. It is to be hoped they will finally take the place of the abused horse for all heavy work. The papers, repeating the statements and serving the interests of their automobile advertisers, tell stories of efficiency and money-savings which may not be borne out by final results. These motor-trucks wear out soon, and the repair bills, not counting loss of use, are something appalling. In a few years the expensive auto-truck is sent to the junk pile, while the horses it displaced are good for eighteen or twenty years of service. In the East some of the users of motor-trucks are replacing them with horse-drawn trucks as a matter of economy. A San Francisco merchant tells us that his auto-truck is in the repair shop half the time, and he will again use horses and wagons.

We copy these extracts from a vehicle journal, as being a quasi-admission that motor-trucks do not "pay":

"Making motor-trucks pay is a man's job and not the occupation of a boy or a driver."

"It is too much to expect that each individual house will be able in a few short years to work out its own solution of its transportation problems. Some will succeed; others fail."

"No matter how perfect the truck is mechanically, it will prove a signal failure if it is not manned by a qualified driver; if not inspected daily by a qualified repairman; and if not operated by a qualified transportation expert, who keeps its idle time down, who arranges schedules to the best advantage."

A Long Season of Light Rainfall

For four years there has been a deficient rainfall in much of the country west of the Missouri river. The years 1912 and 1913 have been exceptionally dry in California, following a light rainfall in 1911. Other states complain. One of the losses, in addition to diminished and destroyed crops, is the dying of hundreds of thousands of fruit trees, especially in apple orchards. In many of the latter fully half of the trees have been killed by the dry weather and a hot sun. Another dry year in California will prove a great calamity, and will certainly affect the burning loss ratio of the state.

Slim Vote of the Modern Woodmen

Out of nearly 6 million members of the Modern Woodmen of America less than 50,000 voted on the several rate plans. More than half voted to continue on the old plan. Fewer than 11,000 voted for the necessary increase; and for adequate rates, based on the order's mortality experience, fewer than 4,000, or only a third of 1 percent of the membership. For the rational, practical, actuarial Fraternal Congress rates only 357 voted. This is the measure of the wooden intelligence of the members of the Modern Woodmen. But hold! when members of old line companies vote, do they show more wisdom?

Two very fatal railway accidents in one day—one in old England and one in New England—with shocking features, ended the lives of some forty humans hastening to their destinations. Of course, nobody was to blame. There never is.

Next month the national council of the World's Insurance Congress meets in New York city.

Motor - Car Insurance Developments in Great Britain

From the Times of London

(Concluded)

Value

Not a little discussion centres round the question of value. Some companies admit the full value of the car at the time the insurance is effected, just in much the same way as an underwriter admits the value of a steamer. The opponents of this system reason that there is a temptation in this connexion for the offices to avoid the settlement of a total loss, though, since, as has already been pointed out, the risk of total loss is so small, it may be doubted if there is a great deal in the argument. Their plan is to take the actual value of the car at the time of the loss, i. e., after allowance has been made for depreciation. This means judging every individual case on its merits. Depreciation is due—(1) to wear and tear and (2) to the production by the makers of similar cars at cheaper prices. Such total depreciation is usually estimated at either about 10 percent for each year, giving the car a life of ten years, or at 10 percent in the first year and at about 15 percent in each subsequent year. Much, however, depends upon the owner. Some cars are kept in first rate trim, while others are allowed to run to ruin. The valuation problem is a little complicated, but assuming good faith, it can be at least argued that a man whose car is totally lost wants to be placed in a position to buy an equally good one.

Policy Terms

The third risk is due to burglary or larceny by servants or others. The cover here usually includes tires, lamps, or other accessories. A new feature under this heading is the inclusion of the risk of damage due to attempted theft, for it has been shown that while thieves very seldom get far away, the cars have often been found considerably damaged. This is a little frilling not included in the Royal Automobile Club's standard policy which a number of companies and underwriting associations are authorized to issue. The assured, in fact, will find that, while the main terms of the different policies are more or less in agree-

ment, the extra benefits included in the comprehensive policies vary. About 50 percent of the insurance is probably transacted on policies approved by the principal individual firms of makers, the main advantage from the assured's point of view being that the question of claims for damages may be simplified.

Premiums and Bonuses

Premiums are calculated either according to value and horse power combined or according to horse power alone, and each system has something in its favor. Then the assured is usually given the option of calculating horse power on the Royal Automobile Club (Treasury) plan or according to the makers' rating. The Treasury system was discussed in an article in *The Times* of last year, and depending, as it does, upon the size of the cylinder, is apt to penalize old cars, since the tendency has been to reduce the size of the cylinders in the newer models. In some cases makers have avowedly met the system by making a smaller bore and a longer stroke. The level of premiums has changed very little indeed during the past few years, the tendency being to throw rather more cover into the policy for the same money.

Substantial reductions are allowed off the premiums if the assured undertakes to pay the first few pounds of each claim; thus a reduction of 35 percent may be allowed off the premium if the owner bears the risk of the first £10 of each claim; a reduction of 25 percent if the first £5 is borne by the owner; and of 15 percent if the first 50s. of each claim is borne. It is important to bear in mind, though, that the proportion to be borne by the assured is in respect of each claim, and not only of each accident. Through a collision a car may be injured itself and damage other property. If the owner is held responsible for the accident, he may have to pay for both sets of damages and in each case the excess would apply. A bonus of 10 percent is usually allowed off the first renewal premium if there has been no claim, and similarly a rebate of 15 percent off the second and subsequent renewal premiums.

Arrangements for Repairs

Conditions respecting repairs also vary. The common plan is to allow repairs up to a value of £10 to be undertaken immediately by any competent repairer without the consent of the underwriters or insurance companies. Then one or two of the associations have specially appointed repairers throughout the kingdom, who are authorized to undertake the work up to any amount at once. The association which has made a specialty of this system has authorized in this way over 500 firms; the assured is in no way bound to take his car to any of these, but the system of authorized firms avoids the delay caused by the preparation and approval of estimates.

Commercial Vehicles

It is now well understood that the conditions governing commercial vehicles are quite different from those affecting private cars. The ordinary car used principally for pleasure purposes goes here, there, and everywhere; the commercial car, including that of the doctor's, works more or less within a certain radius and is practically always in use. Therefore a system has been devised by one of the leading companies, and is being emulated by other offices, under which premiums are calculated according to the horse power of the car and the size of the towns. The risks, for instance, of a lorry working within a radius of 14 miles of Charing Cross are held by the promoters to be very much greater than those of a motor wagon owned in some country town. The new system is thus to divide towns into those having populations of over 500,000, over 100,000, and less than 100,000. On the other hand, it is worth remembering that in large cities, and especially in London, the traffic is far better regulated than in small towns. The speed, too, in towns is usually much less than that in the country, so that, whereas in densely populated districts the number of accidents is very great, many are comparatively unimportant, while in the country the accidents that occur are apt to be very serious. A notable feature which has come to light in the insurance of commercial vehicles is that the experience of

individual firms varies enormously. Naturally, where there is sufficient experience available the offices are disposed to discriminate in premiums.

A further new feature is the institution by one of the leading companies of a quarterly inspection of the vehicles by the company's own engineers. Yet another class of risk is that of the garage and taxi-cab proprietors, but so far, as a result of a high claim ratio, the business has failed to appeal to the offices. At present the great bulk of the motor insurance industry is in connexion with private cars. Yet no one would care to prophesy that in a few years' time private car insurance will still hold first place. The insurance of commercial vehicles and their drivers gives every sign of growing importance, and the insurance offices are showing by the issue of their new prospectuses that they are preparing to meet increasing demand and provide the kind of indemnity that is needed.

5,000 Industrial Accidents in California in Six Months

Disabling industrial accidents to the number of 5,150 are reported for the half year by the industrial accident board of California. Of these accidents, the permanent injuries were 305. The fatalities were 233. Only 9 percent of the 5,150 accidents were under the Roseberry law. Of those not under compensation, only some 800 received any indemnity at all.

Only 20 Percent Acquisitional Expenses Hereafter

Supt. Emmet of the New York state insurance department has notified liability companies that after October 1 they must discontinue competitive rate-making and reduce to a limit of 20 percent the total acquisition expense of the business. These reforms will of course be applied everywhere, because required by other state commissioners.

The London & Lancashire Guarantee & Accident will eliminate the exemption of inundation losses from its plate glass policies.

Insurance Journalists

A new federal official is quoted thus: I observe my father's rule 5, which is—Work, work, and do not take yourself seriously. This is the rule of insurance journalists. They work hard and do not regard themselves too seriously. They are loyal servants of the companies, but have no hope of promotion, nor any share in the good times. Yet they are the only newspaper friends the companies have.

Looks Like a Cheap Graft

The wisecracs who have themselves sent to Sacramento every other winter—and usually are “jokes”—have enacted a thus-sayeth-the-people to this effect: every factory, printery, bindery, foundery or other makery shall at all times keep accessibly, free of expense to the employees, a medical or surgical chest containing adhesive plaster, cotton and gauze bandages, a tourniquet, a pair of scissors, a pair of tweezers, a jar of carbolized petrolatum, one bottle of antiseptic solution, and one first aid manual. “all of which shall cost not less than \$6, and to be used in the treatment of persons injured or taken ill on the premises.” Snake-bite antidote has been carelessly omitted. If an employee is taken ill he appears limited to swallowing the tweezers or the antiseptic solution. A nice little graft here for somebody who was overstocked with medical cabinets. In case of injury or sickness the articles mentioned would be about as helpful as a last year's almanac. Insurance agencies having printing office attachments will take notice that the new law applies to them, and that the fine ranges from \$10 to \$50 every week in which the surgical box of scissors and adhesive plaster remains unbought.

Motor Fire Engines

Safety Engineering has been asking fire chiefs to give their views on motor fire apparatus. The favorable opinions may be summed up in one word—speed. The unfavorable are: too heavy for all kinds of streets; too frequent breakdowns; Vittorean pump a complete failure; a failure on poor

streets and in deep snow; Growell engines cars are failures; uncertainty of ignition; pneumatic tires blow up and hard tires are hard on apparatus and make less speed, etc.

Now Under Civil Service

The state insurance department of California is now under civil service regulations and every competent employee may hope to “hold his job”—excepting always the commissioner himself.

Valuable Toes

Aslak Abrahamsen, may his tribe increase, lost three toes in a collision on the high seas. Then this Aslak goes into court as soon as he reaches port, and files against the steamer Argyll a little libel in the rum sum of \$14,565. This is at the rate of \$4,855 a toe.

The Married Live Longer Than the Unmarried But They Pay the Same for Life Insurance

Though the death rate of unmarried men at insurable ages of 30 to 50 is about 115 per cent greater than that of married men, the life insurance companies ask no higher premium rate. This is certainly unfair to the married men who insure their lives. They pay their own mortality cost and also a part of the higher mortality cost of the unmarried policyholders of both sexes; for the death rate of unmarried women averages 30 percent higher than that of married women. Come, let us have a

Married Folks' Life Insurance Company.

Lovejoy Denies

The president of the Manhattan Life, Thomas E. Lovejoy, wires: “All agreements made prior to my election were canceled. There are no agreements (as alleged) in effect with anybody. It is my purpose to upbuild the Manhattan Life as originally planned, and my stock is not for sale at any price. With the loyal cooperation of the home office and field forces, I am convinced of splendid results.”

The most expensive men's hose is “worn” by firemen.

Automobiles Throw Stones

Bicycles, motorcycles and automobiles, when speeding, skidding and cutting corners pick up from the roadway and whirl aside with much force loose pebbles and larger stones. Pedestrians are sometimes unlucky enough to be struck; and in England, as we read, suburban store-keepers (shop-keepers) along the motor-'bus routes complain that their glass fronts are in daily peril from flying stones. A widow "sweets-shop-keeper" recently had a window thus broken and three of her neighbors suffered the same loss on the same day, by stones flung by speeding motor-'buses.

The borough council says the omnibus company is liable, and the latter says the former is responsible, because of the condition of the street. As yet no insurance company appears to have a claim presented.

New York Underwriters Agency

Organized in New York city in 1864 as a combination of New York companies writing a joint policy under the title of New York Underwriters Agency, under the direction of its originator, who was one of the fathers of modern underwriting, this name has become as well known as that of any long established company. The "Agency" part of the title is not ordinarily mentioned in referring to it, "New York Underwriters" being preferred as briefer and equally descriptive.

In this field at least, the New York Underwriters Agency maintains a separate and complete plant as any company, with separate office and management and its own staff of field men, with headquarters in San Francisco, at 339-341 Sansome street. H. R. Mann is manager and F. M. Branch and H. R. Mann, Jr., are assistant managers. The field men are V. H. Quitzow, A. C. Anderson, A. E. Bailey, H. Harry Smith and H. B. Hagen.

The resources behind the policies of the New York Underwriters are \$26,492,318, of which sum no less than \$10,513,692 is surplus as regards policyholders. On the Pacific Coast about \$400,000 premiums are written yearly, with moderate losses.

A marine decision in our court cases.

Some Points of Law

A contract prepared by one of the parties such as an insurance contract, if reasonably open to more than one construction, will be given that construction which is against the party preparing it.—101 N. E. 651.

If the services of an agent fail to bring about a sale and several weeks thereafter the proposed purchaser is induced by another to buy, the agent has no right to a commission.—131 P. 680.

Plaintiffs with notice that defendants, their agents, were unable to sell insurance to prospective purchasers at rates fixed, having reduced the rate and sold the insurance themselves without defendants' knowledge, held liable to defendants for the commissions they would have earned had they been permitted to sell at the lower rates.—141 N. W. 257.

Individual Bank Deposit Guarantee

There should be "room"—a sufficient demand—for the insurance of individual bank deposits. A company guaranteeing a deposit, with a premium based on the average daily balance, should be able to do a large, safe and profitable business.

Its managers would of course have to be men of good banking experience; and its business would of course be restricted to sound banks, well and conservatively managed, and willing to give the insurer the particulars of its investments and loans.

The Individual Bank Deposit Guarantor is greatly needed in this country. It could write a big, paying business at a low rate of premium and at a small expense rate.

Meantime, why should not some surety company undertake this new form of insurance?

A St. Louis journalist has found in Emerson's Journal, written in 1855, a note to the effect that if a man has good things to sell, or can make better things, you will find a hard-beaten road to his house, though it be in the woods. The much quoted "mouse-trap" word has not yet been found in Emerson's writings.

In human life experience is everything and instinct is nothing.

Twenty Years Ago

Frank J. Devlin was appointed manager for the H. M. Newhall & Co., general agency, which included the Atlas. For four years previously he had been special agent for the companies.

S. V. DuBois was appointed special agent by General Agent Ashton.

Ed. E. Potter represented the Franklin of Philadelphia and the American of Boston.

Wm. J. Callingham represented the Scottish Union on the Coast.

The Page street fire in San Francisco destroyed a bunch of dwellings which showed the weakness of the city fire department and caused much comment.

Alaska had a 70 percent loss ratio.

In the case at Ellensburg, Wash., the fire did not originate on the premises. The adjuster found that there had been a change of occupancy and refused to adjust the loss. A court held that this was a waiver of proofs of loss. Later the insurer told the insured that if he presented proofs of loss the claim would be considered. The insured's attorney carried on the correspondence and did not think it necessary to furnish proofs. The supreme court of Oregon ruled that this correspondence with the companies was a withdrawal of its waiver of proofs of loss in the first place; and as the insured failed to present proofs, he could not recover. The Guardian Assurance Company of London, therefore, won this case on a technicality.

In San Diego, Calif., the mayor and the insurance men and the business men were having a dog and parrot time. The mayor had dismissed all the salaried extra men, and reduced otherwise the efficiency of the fire protection.

An anonymous post-card against the Coast Review was given a large circulation. It was based on the fact that this journal published the statement of the State Investment, as sworn to and approved by the state insurance department. The figures as attested by Insurance Commissioner Wilson and Deputy Rhorer were accepted by this journal, after our request that some examination be made. The investigation was made because an employee of the company told us he believed from evidence in his

possession that the company was insolvent. It subsequently transpired that this company had concealed many of its loss claims, which were unknown to even the principal clerks. The company was really insolvent, but this fact was not positively known to more than three of the officials. The authorship of the anonymous post-card was, of course, known from its phraseology. The Coast Review's reference to the company was merely a seventeen line summary of the sworn statement of solvency.

Minnesota Misunderstanding Adjusted

New York, N. Y., Sept. 8, 1913.

To The Coast Review,

1103 Merchants' Exchange Bldg.,
San Francisco, Cal.

Gentlemen—

In your last issue, on page 381, there is an article reading as follows:

"Bars National Surety.—This company having declined to pay a bond issued by the re-insured Empire State, the Minnesota state comptroller will not approve any bond issued by the National Surety."

It leads the reader to believe that this "bar" is permanent, which I am pleased to advise is not a fact. I am attaching a clipping from the Western Underwriter which gives a brief account of the trouble which, as you will note, has been adjusted. I am confident that the Coast Review has very friendly regard for this company and I will ask you, therefore, to kindly make correction in your next issue. Very truly yours,

W. I. Hawks, Asst. Secretary

(The clipping referred to announces that Pres. W. B. Joyce of the National Surety visited St Paul and adjusted with the state officials the differences over the settlement of a loss incurred by the Empire before its business was reinsured by the National. Did the Minnesota state official go off at half-cock?)

Deadly Auto

Of recent death losses paid by the Preferred Accident, 27 percent were due to injuries from automobile accidents.

The world needs and rewards strong men.
Therefore be strong.

FIRE AND MARINE INSURANCE

Non-Board Companies

There are many fire companies which are in some territory or in all territory non-board or non-affiliating. They either make their own rates from their own experience as to hazards or territory or both, or "shave" the rates made by the rating organization of the board companies.

There always have been and always will be non-board companies. For this reason, fire insurance never has been and never will be a "monopoly" or a "trust" or a "gouge." Competition will keep rates down to a moderate profit in the future as it has in the past.

As there are board companies and board companies, so there are non-board companies and non-board companies. There is a difference, which every experienced fire insurance man understands.

A non-boarder with good practices and rates based on its experience as to risks and territory, and paying reasonable commissions which permit it to pay claims in full as adjusted by honest adjusters, is certainly a legitimate and self-respecting corporation.

On the other hand the free-lance which makes no rates of its own but merely shaves or slashes the rates determined by paid professional rate-makers and risk-inspectors, and "buys" its business besides, paying unreasonable commissions which do not permit it to pay losses in full, is certainly not a legitimate and self-respecting corporation. Some day it will surely be forced out of business. The receivers will probably settle loss claims at 25 to 50 cents on the dollar. Our older readers will recall such companies that are no longer in existence.

Scarcely less legitimate are board companies which ignore rules, pay excess commissions, and make harsh settlements based on adjustments by "sharp," "out-for-salvage-anyway" adjusters. Their "finish" comes some day of trial. Our older readers will recall such companies which have passed into the limbo of the lost.

We use "board" and "non-board" in a

generic rather than in a special or local sense.

There are good and bad board companies. Boards impose no standards of membership, as to reputation, or record or size or age or surplus. There are weak as well as strong board companies.

There are good and bad non-board companies. Some are strong, more are weak. Some have good practices, and some have even worse than some board companies.

It is true that non-board companies do not contribute to the support of useful boards, but it is equally true that there are board companies that do not contribute to the support of the useful, legitimate insurance press.

New Zealand State Fire Insurance

The colony or dominion of New Zealand has a fire insurance office of its own, operated in competition with 31 other companies. It is new and growing and fortunate thus far, and has the aid of government employees. The debentures for initial work have been paid out of the profits and there is now no liability or capital account. Moreover, the management claims that it has saved the people of New Zealand \$7,500,000 in reduced premiums. Expenses last year were 26.7 percent of the premiums. The premium income was nearly \$250,000, an increase of 14 percent. At this rate of increase the state insurance office may hope to write all the business of the colony. We therefore venture to suggest that when that unhappy time draws near the New Zealand and other colonial companies come to the United States. The New Zealand already has an office building and a department in California, and can slip overseas without ado.

The U. S. branches of the Commercial Union and Palatine and Union have a new assistant manager in Clarence E. Porter, formerly of the Spring Garden and State of Penn.

Rates on San Francisco Apartment Houses to be Reduced

There is to be a "sweeping" reduction of brick, concrete and frame apartment houses in San Francisco soon. Certain non-board companies have been writing very "freely" this class of risks at reduced rates and making c. o. c. concessions. Owing to the deficient fire protection, especially in the wooden district adjacent to the fire limits, the board companies have heretofore declined to meet competition for apartment house business. The completion of the high pressure auxiliary water system altered conditions and made the big apartment houses desirable business from the board companies' point of view.

Pearson's Magazine has a typical muckraker article on the "Unfair Fire Insurance Tax," "showing that we could save hundreds of millions of dollars yearly if our government insured us against fire." Now, it appears, "we cannot collect a claim after the fire unless we know the traps." And "we pay too much and then get a policy full of traps." Reckless with figures and penurious with facts, the muckraker saves hundreds of millions out of the three hundred millions of American fire premiums. "But there is New Zealand." Yes, New Zealand where government and private rates are the same. "But we have turned the whole country over to the fire insurance companies to 'farm' and have no share." The fire insurance men, like those who farmed the taxes just before the French revolution are "rapacious tax collectors." O you Board people! and you free lances, too! you are found out at last by a writer for a 15-cent magazine.

Here is a real idea in this socialistic full-moon print. "The government has just as much call to operate national fire insurance as to collect the mail. It is just as national in character. The insurance companies themselves are always making a point of its national significance."

Arno Doseh rails on. "The insurance companies say they cannot make fire insurance any cheaper. Very well, we can."

Moreover, "insurance men howl in figures. They can come forward on a moment's notice and flash a long string of figures to show that no money has been made in the insurance business for years and years." Verily, this magazine man must have been a reader of the Coast Review.

American Fire Business

The British America in the United States is increasing premiums, assets, reinsurance reserve, and making something out of the underwriting account.

The Girard, an old Philadelphia company, makes a good showing uniformly, with income in excess of outgo. This company regularly makes money on the underwriting account. The Girard also regularly reports a reinsurance reserve almost twice that of the premium income, much of it being the liability for deposits under the "perpetual" policy.

The Germania Fire regularly reports a reinsurance reserve in excess of its premium income, and also an increase in premium income.

Citizens Fire (now of Baltimore), formerly of Charles Town, W. Va., has \$1,038,611 assets, \$545,000 capital and \$75,082 net surplus. Co-operates with a fidelity company, supposed to be in control. "Best's Reports" says: "Underwriting loss for the year \$146,113. This company is incorporated under the laws of West Virginia."

The Westchester increases its reserves and premiums pretty regularly, and also with some similar regularity piles up an underwriting profit.

The Aachen & Munich keeps its reinsurance reserve "close up" to its premium income, which has latterly been increasing. There is a yearly underwriting profit in this country.

Everybody's "spreading chestnut tree" shelters a bit of wit previously in the California Knapsack.

Men who make money rarely saunter; men who save money rarely swagger.—
Bulwer Lytton.

North British & Mercantile Insurance Company

The home office report of this 104 years old company shows the possession of \$120,780,360 gross assets. The assets of the life branch are nearly \$70,000,000 and of the annuity branch some \$15,000,000. The remainder, which we treat as the gross fire assets, gives these grand totals:

Assets	\$36,446,648
Capital	12,187,500
Net surplus	15,909,915
Policyholders' surplus	28,097,415
Premiums	12,199,785
Losses paid	6,413,224

American figures are :

Pacific department prems	\$ 732,384
U. S. branch prems	4,907,133
U. S. branch assets	9,000,375
U. S. branch surplus	3,809,916

A comparison of the home office figures shows a gain of over \$10,000,000 in assets since 1909, and a gain of about the same amount in surplus to policyholders. In the past year, assets, surplus, reinsurance reserve and premiums gained. Loss and expense ratios were moderate.

The United States branch is among the leaders in assets, surplus and premiums. The manager is E. G. Richards.

The Pacific department, under the direction of W. S. Berdan, general agent, is doing an increasing business at a moderate loss ratio.

The North British & Mercantile is a leader in several respects—in assets, in capital, and in policyholders' surplus.

San Francisco has a new motor chemical fire engine of 80 gals. capacity. It passed speed test of 20 miles up grade and 40 on level, with five men aboard.

Oakland, Sept. 10.—Piedmont French laundry, 49th and Shattuck ave.; loss

\$5,000; caused by burning shavings falling from furnace.

English Criticism

"Assessor" writes to a London daily paper a long criticism on the "drawbacks of American methods" of fire prevention, standardization, etc. The National Board, he says, usurps the natural and recognized functions of good government. It creates monopolies by its system of standardization, marking, etc.

We quote :

"There is another element which strikes the visitor to America forcibly, and that is, that so many of these insurance officials who are concerned both with the National Fire Protection Association and the National Board of Fire Underwriters are directly or indirectly financially concerned in the fire protective appliances put forward for test and standardization, and it is common knowledge among those concerned in this country that there is something radically wrong either with the methods of testing, with the reliability of the marking, or with the morale of those engaged on this system of insurance control, to allow of the incongruities so often met with."

Here is the way the Walnut Creek Courier begins its account of the Bay Point lumber fire:

"Fierce Flames Claim Enormous Tribute. A single flame, over 1500 feet in width and approximately 160 acres in area, irradiating the midnight sky with lurid, changeful flashes of amber, crimson and gold announced last Tuesday night the destruction by fire of something like 40,000,000 feet of seasoned lumber."

Further, "Had the nearest fire plug been more accessible, the flames could have been extinguished with facility, the loss being insignificant."

CLASSIFICATION

—
**From an Address by U. S. Manager E.
 G. Richards of the North British &
 Mercantile**

"But in all unbalanced minds the classification is idolized, passes for the end and not for a speedily exhaustible means."—Ralph Waldo Emerson

We read in the Scriptures that once upon a time a prophet, Ezekiel by name, had a dream or vision of a great valley which was full of bones, and Ezekiel says that he passed round about the valley, and there were very many, "And lo, they were very dry."

It may be that you have some such thought as I approach this subject of statistics and their classification, therefore if it is possible for me to clothe these very dry bones of statistical discussion with even a little life and interest, I shall feel amply rewarded.

Satisfying ourselves as to what classification is in its broadest sense, I will point out:

The practical uses to which a classification of fire underwriting experience may be applied, and then present for your consideration examples of actual experience from our own books to illustrate the value, if any, which such experience may possess in connection with the making of rates and the formation of schedules.

As early as 1852, the possibilities of classification of fire underwriting experience were most interestingly discussed at the centennial meeting of the Philadelphia Contributionship by the chairman of the board.

The element of chance, which, after long and extensive observation, resolves itself into probability, and the essential feature of average derived from many risks and long years of experience, were carefully portrayed.

Seldom do we find the subject more intelligently treated than in the remarks made more than sixty years ago by the chairman of that board, Horace Binney. Even then the opinion was expressed: "If all the companies were to club all their experience and give it to the public, I am not sure the aggregate would be worthy of entire reliance."

An address delivered before the Insurance Society of New York.

In contrast, however, hardly twenty years ago, one of the leaders in the fire insurance business, with ability of the highest order, delivered an address before a convention in a Western city, and advocated the combining of the classified experience of many companies, claiming that such combined figures would clearly indicate the cost of the risks so classified, and furnish a basis for the fixing of rates so correctly, that a novice could therefrom determine a rate upon a specified risk with ability equal to that of the ablest underwriter in the land.

These views were received with marked approval by the convention, and when published, seemed to meet with an almost unanimous indorsement at large, while the idea of combined classification became an attractive theme of speaker and writer upon fire underwriting topics, upon the theory that the plan, when carried out, would be the means of reducing the making of rates to a science.

In more recent years the views of underwriters have undergone a change, but undoubtedly the opinion even now is to some extent entertained that combined statistics are valuable in, and perhaps essential to, the making of correct fire insurance rates.

It seems to me it should not be difficult to conclusively decide the question, if thorough consideration be aided by practical demonstration.

Classification in its broadest meaning is bringing order out of chaos; the art or process of arranging subjects of a like or similar character in separate groups or classes.

In every business the detailed results of its daily, monthly and yearly transactions may be thus grouped or classified, because such classification conduces to order, method, intelligence and success. We are told by one of the world's greatest essayists that "Order was heaven's first law." Unless order and systematic methods are employed, no business can be permanently successful, and this is quite as true of the fire insurance business as of any other.

All bookkeeping or accounting systems are forms of classification. The books of a busi-

ness house should embrace as completely as possible a record of experience so far as it can thus be divided and detailed.

Experience

What is experience as found in our business of fire insurance? of what does it consist, and what is its range or limit? The dictionary defines experience as a practical acquaintance and instruction gained by observation and repeated trial of a matter.

The range of such experience in fire underwriting has no limit except in the underwriter himself, but the practical limit of bookkeeping record, of which that experience is susceptible, can be quickly reached.

Curiously enough, the fire insurance company sells its product (indemnity from fire loss) without the slightest means of knowing in any particular case what the fire loss cost will be. The underwriter is, therefore, in the position of selling his goods before he buys them, and therefore must fix his selling price before he knows the cost of that which he sells. But not so the life company, which sells its life policy with a certainty of claim thereunder, and can therefore determine its cost almost with exactness at the time the contract is made. Because this basic fact of the fire underwriting business is not well understood, or perhaps not kept well in mind, much of the misunderstanding regarding the relation of statistics to rate-making is due.

Commercial and Statistical

In speaking of the account department or system of a fire insurance office, I would divide its records into two groups, viz.: the commercial and the statistical.

The commercial embraces the corporation and personal accounts with other general accounts, as shown upon journal and ledger, which come together in a final trial balance indicating the profit made or loss sustained, and result in determining the financial condition of the company.

The statistical accounts are very important helps to good underwriting, and should be used as a means of tracing results good or bad, but particularly the latter, to their source, for the discovery of past mistakes and personal responsibility therefor.

In our own office these statistical accounts are termed agency and state results on the one hand, and classification results on the other; the latter if correct in their final analysis, will balance or agree with the former.

The fire insurance company's experience, as it relates to the policy and which is recordable for statistical purposes on the income side of the classification account, is the amount for which the policy is written and the amount of premiums received.

On the other, or outgo, side are entered the losses according to their respective class; and if the expense cost of each group of risks could be accurately determined, it would also be entered and, when combined with the losses, constitute the entire outgo or experience cost of the class.

But the classification of expense is quite a different matter from the classification of losses, for locality and character of risks, as well as the volume of transaction, largely determine the ratio of expense which the risk will cost the company, while occupation alone decides the loss classification.

Expenses of a Company

The difficulty of charging to occupation classes the true share of expense will be evident when we consider that the expenses of a company are incurred in two ways:

First—Percentage expense, which is measured by some ratio of the premiums, such as taxes and commissions; and

Second—Flat charges, which are incurred without direct reference to premium income such as licenses, fees, and the various costs of administration, as rents and salaries.

In this latter class of expense, which comprises about one third of the total expense outgo, the company of large premium income has an advantage over its smaller competitor because the ratio of expense decreases as the premium income rises.

For a similar reason, the ratio of expense of handling a small premium policy is much greater than the large premium policy, because, as a rule, it costs no less to solicit, collect, and carry through the entire records of agency or company the small than the large premium, but the ratio of that expense to the small premium is much greater. The

expense ratio of the small policy undoubtedly averages from 50 to 80 percent of its premium, yet no way has been found to spread the flat and administration expenses with even approximate correctness between all policies regardless of amount.

Experience tables, therefore, consist essentially of the premium income, and loss and expense outgo of the company for a given period subdivided by agencies or into such classes and groups as will furnish the best analysis of the underwriting transactions of the company.

It must not be forgotten that the subtle influence of personal character and ability, whether good or bad, weak or strong—not always definable but a potent reality nevertheless—makes its impress upon the company, and can be traced in these classification records. No one connected with the company and having an active part in its service can escape his share of responsibility for the quality of these records.

Edward Brown & Sons General Agency

It is only our oldest readers who will recall the beginning of this agency plant, which in time became the Edward Brown agency, and afterward took its present name. Its present volume of business was hardly expected by those who didn't know the sons, but the premium income has kept pace with the upward trend of other large agencies, and an average of \$800,000 annual fire premiums is the recent record, with moderate loss ratios.

The companies represented are the Agricultural, Globe and Rutgers, Hamilton and Svea, and there is also the Globe Underwriters Agency. The field staff is—

Wm. H. Hill, W. H. Gibbons, L. M. Hale, W. B. Westlake, Chas. Van Valkenburg, W. P. Porep, Chas. A. Wendler, J. P. Hague.

The territory covered is California, Oregon, Washington, Idaho, Montana, Utah, Nevada, Arizona, Wyoming, Colorado, Hawaii, Alaska and British Columbia. Some Mexican business is also accepted.

The greatest asset of human life is youth, yet it is squandered most recklessly by the young.

September Mourn

The close of August found an accumulation of fire losses in the Coast field, and the September experience has been bad also. Possibly, in some cases, the contingent will be dimly or not at all visible on December 31.

Imperator Fire in New York Harbor

While lying at her berth at Hoboken the largest ship in the world, the German liner Imperator, caught fire in the store rooms or "provision well." Tugs and fire-boats came at once and for five hours fought the flames. Heat, smoke and water damaged other parts of the ship. The damages, possibly \$100,000, were repaired in time for the scheduled sailing. The weight of the tons of water thrown into the "well" caused the ship to list to starboard several degrees.

The insurance appears to be \$4,250,000, and the loss possibly \$100,000. Some of the insurance, which expires next year, covers the risk of total loss and general average; some other policies are free from claims of under 1 percent.

Ghent Exposition Fire

This Belgian industrial exposition has been unfortunate. Three exhibit buildings and contents were burned Sept. 18. This is said to be the fifth fire since the opening of the exposition. At a previous Belgian exposition there was a destructive fire, with heavy losses to exhibitors and insurers. The possibility of similar losses at the San Francisco exposition in 1915 is no doubt responsible for some of the refusals to exhibit by foreign manufacturers.

Queer written tongue (tung) of ours, surely. "You" is pronounced "u" but not so when in "young." Suppose we spell "tounge" and "sounge" and "houngue." 'Tis a "boummue" way, my soun, in this county and country.

Auto fire engines have not yet reduced the fire losses.

Already San Francisco's city auto-cars are useless junk.

LIFE INSURANCE

Draft of an Act Directed Against the Group Policy Writers — If a Law, Group Insurance Will Be Squelched

The following tentative draft of an act was submitted for the consideration of the Chicago meeting of the committee on statutory legislation of the Associated Fraternities of America, as a solution of group insurance, and was adopted:

An act to require medical examination for life insurance, other than industrial, and to prohibit so called group insurance and providing a penalty.

"Sec. 1. No insurance corporation, company, association or fraternal society, by itself or any other parties, and no agent, solicitor, broker or other person, shall effect any life insurance, or issue or deliver any policy or certificate of life insurance, other than industrial policy on the weekly payment plan, in this state, until after the insured has been examined by a legally qualified physician, acting in its behalf, and has been found to conform to the standards prescribed by such corporation, company, association or society.

"Any corporation, company, association or society violating this section shall forfeit not more than (\$1,000.00) one thousand dollars, and any agent, solicitor, broker or other person, writing or delivering any such policy or certificate, issued in violation of this section, shall be punished by a fine not exceeding (\$100.00) one hundred dollars, or by imprisonment in the county jail for not exceeding six months, or by both such fines and imprisonment."

Bristol-Bored

Bristol denounces as petty thieves all the men—the real estate man, the fire insurance man, the cashier and the barber—who write life insurance and "interfere" with such regular and temporary solicitors as the clergyman without a church and the merchant without a store; and as master thieves the general agents who have anything to do with "helpers" and other life insurance parasites. Such zeal! such heat! Could any

view be narrower than this which characterizes a fire insurance man or an accident or surety man as a petty thief because he also writes life insurance?

We ask Mr. Bristol, Are these "petty" and "master" thieves any worse than the "twisters" of whom he has been said to be the king.

We ask, too, Do you protect your solicitors by any registration of a "prospect"? If not, you are by no means sincere. Nor are you sincere if you practice or tolerate "twisting" or rebating.

Lump Life Insurance

Group insurance—the insuring of a group of employees, without medical examination and at a reduced rate—has been bitterly attacked by life and fraternal insurance men. The former regard it as dangerous, unethical, twisting and competitive; the latter see in it only an effort to capture the members of fraternal societies which are raising rates to a safe and sane point by law.

The secretary of the Equitable Life comes to the defense of his group net plan of catching his fish. He admits that to most Americans the idea of granting life insurance without medical examination will seem reckless. But if all the people were compelled to insure medical examinations would obviously be superfluous.

This argument certainly limps.

Premium rates are not based on the general mortality rates, including consumptives, and children, and the visibly impaired.

Group insurance is defended also on the ground that employees are active and healthy, and when they are old and feeble they are discharged and are therefore no longer insured. Young and healthy lives take their places, for the new employees must be both healthy and reasonably young.

Death therefore, it would seem, need not be expected, except by accident. "The law of average works smoothly." But supposing it doesn't? What then of a thousand

groups of insured persons taken on without a medical examination? Will the mortality average compare favorably with that of a similar number of carefully selected lives? If not, who pays for the excess mortality?

Utah Insurance Department Bulletin

To Life Insurance Managers

In view of statements which have reached this office regarding the tendency of some life insurance agents to cast discredit on the financial standing of other companies, it is desirable that the attitude of this department shall be fully understood. I will thank you therefore to see that each of your agents is furnished a copy of this circular.

The Utah insurance department will not permit the agent of a company to cast doubt on the solvency of any legal reserve life insurance company authorized to do business in this state. The fundamental principle of legal reserve insurance is that all policyholders are protected by a reserve set aside under state requirements. This reserve so safeguards the policy contract that even if the company should go out of business or merge with another, the reinsurance reserve accredited to each policy would be immediately used to reinsure the policyholder in another company.

Because some companies show a slight reduction in surplus, agents may feel themselves justified in predicting the failure of those companies and warning policyholders to withdraw and insure elsewhere. The fact is that such decrease of surplus may be due to the cost of placing new business on the books, which if it is written conservatively and honestly and with due regard to economy, will ultimately by its renewal and continuation build up the surplus of the company. There is no necessary relationship between the condition of the surplus and the condition of the reinsurance reserve; but of course the commissioner will urge economy and will see to it that the surplus of no company is reduced below the bounds of safety. If this should become imminent money would have to be obtained from the stockholders to replenish the surplus without in any way endangering the reserve.

Hence it will be construed as an act of misrepresentation if an agent of one company calls attention to a reduction of the surplus of another and predicts as a result the failure of the company with loss to policyholders. No agent should be permitted to continue in the business who either does not understand this fundamental principle of insurance or who preys on the lack of knowledge of the insuring public.

Agents are admonished to confine their work as far as possible to advocating the merits of their own companies. Nothing is gained and much may be lost by attacking rival companies. It is especially important that the honesty and solvency of the great system of life insurance shall not be called into question by those engaged in the business.

Your attention is called to another phase of the business; namely, the agent's dealing with dissatisfied policyholders of other legal reserve companies. It is the desire of this department that where dissatisfied policyholders are found they shall be encouraged to reinstate and continue their policies. The dissatisfaction has in nearly every instance arisen from misunderstanding, and as all legal reserve policies are of such character that loss will be sustained by lapse after one premium payment, the policyholder should be urged to continue his insurance. It is not ethical under such circumstances to induce him to take a new policy. In nearly every case where a new policy is written a charge of twisting is almost sure to follow when the company issuing the lapsed policy is informed of the circumstances.

You doubtless know the views of the department regarding raids on the agency forces of other companies. Is is considered unfair and unethical for any manager to attempt to disrupt the agency force of another, and in nearly all the states departments have ruled against such practice. There is no serious objection to the transfer of an agent to another company if the agent takes the action voluntarily and his company offers no well founded protest against the issuance of the other license. It is, however, the practice of this department

to make careful inquiry of the one company before licensing the agent for the other.

I trust all managers will accept this circular in the spirit in which it is issued, which is simply the desire to assist in the general betterment of insurance conditions.

Willard Done,

Commissioner of Insurance.

Salt Lake City, Utah, Aug. 30, 1913

New York Fraternal Report

Part IV. of the annual report of the New York state insurance department contains these figures of fraternals:

		Gain
Assets	\$ 121,524,372	\$ 12,888,088
Received from members	80,461,368	1,410,350
Claims paid	64,091,345	1,099,930
Insurance in force	6,163,020,532	-218,857,537
-Decrease.		

The Burden of "Special Contracts"

From Best's Life Insurance News

We have always condemned the use of "special contracts" for forcing the sale of life insurance on the grounds that they are discriminatory between different classes of policyholders, dishonest in principle because they pretend to be payment for services, which are not in fact rendered, and because they offer opportunities for misrepresentation on the part of agents. Years ago, moreover, we pointed out that these contracts were likely to become a heavy burden upon the companies issuing them, and this makes it particularly interesting to observe how they have worked out in certain specific cases.

The investigation of the Indiana life insurance companies by a special commission appointed by the governor of Indiana in 1906 revealed the fact that grossly excessive estimates of probable profits in connection with schemes of this kind have been made by some of the companies themselves, notably the State Life of Indianapolis, and that the actual results averaged only about 35 percent of the estimates, in some cases falling very far below that figure. Special contract payments have sapped the vitality of numerous other companies, particularly some Georgia institutions, and the subject is brought up again by the experience of the LaFayette Life Insurance Company of LaFayette, Ind. During 1912 the directors of that company consulted several actuaries

concerning the position and prospects of the company with particular relation to the drain upon its resources caused by the payment of dividends upon special contracts in accordance with their terms. After receiving the reports of these actuaries a plan was developed for changing the mutual company to the stock basis, it being hoped that by this means all liability to the special contract holders of the mutual company would be terminated so far as concerned the business written after the change, though it would not relieve the company of payments under business already in force. Certain special contract holders objected to this proposed change and it had to be abandoned. It was brought out that 250 "counselor's contracts" were issued entitling the holder to a share of a fund made up annually at the rate of \$1.50 per \$1,000 of insurance in force in the state of Indiana, for not longer than twenty years; 400 "inspector's contracts," similar, except that the fund was based upon \$1 per \$1,000, but took in the business in *all* the territory in which the company was operating; and about 1900 "United States advisor's contracts" similar to the second group. It will be noted that this saddled the Indiana business with a charge of \$3.50 per \$1,000, and business outside the state with a charge of \$2 per \$1,000 per annum. During 1912 the company paid or allowed to holders of "special contracts" \$24,284.54, or *more than 10 percent of the entire general premium income of the company*, and up to the end of 1912 the total amount distributed under these contracts was \$111,949.18. The importance of the matter is apparent from the fact that at the end of 1912 the surplus of the LaFayette Life was only \$7,735, after setting aside \$54,015 for dividends provisionally credited to deferred dividend policyholders.

The "special contract" scheme has become so thoroughly discredited that few companies now make use of it in its original form, but quite a number of companies are resorting to modifications of the same scheme as an aid to the sale of insurance. Certain companies are issuing what they call "survivorship fund" policies which provide that those members alive at the end of a stated period shall receive their share of a fund representing \$1 per \$1,000 per annum on all policies issued in a particular year. There is no essential difference between this scheme and the thoroughly discredited "spe-

cial contracts." On these policies, as a rule, the premium is very heavily loaded and the supposed benefit derived by the policyholder consists merely of a return of a part of the overcharge. The plan is the more vicious because the contracts issued are non-participating; and they furnish opportunities for the agents grossly to misrepresent the character of the contract. Such contracts were recently declared unlawful in Texas, in an opinion rendered by the attorney-general of that state to its commissioner of banking and insurance.

Discount On Premiums

From The Mutual Provident Messenger

We have seen in the prospectus of some life offices a statement that special terms are offered for policies of not less than a certain amount. In one instance policies for £500 or over could be purchased at a reduction of over 4 percent in the amount of premium ordinarily charged. The reasons offered for such a rebate are generally more specious than substantial, and in a mutual office no valid ground exists for a concession in favor of the large as against the small assurer under the same class of policy. In our own society the small and the large policyholder are dealt with on precisely equal terms. A policy for £1000 costs exactly ten times that which one for £100 entails. We are glad, therefore, to see that in a recent legal case the attitude we have adopted is one which the courts have upheld, at least indirectly. The case arose in New Zealand under the local anti-monopoly law, where a discount had been granted to a combination of buyers in face of industrial legislation which is based—whether rightly or wrongly it is not our purpose to discuss—on the assumption of free competition in sales. On the plain issue, which was as to whether it was not wrong to give a large purchaser an advantage over a small purchaser, the court decided against the practice, holding that though the statute did not specifically provide against it, "such differentiation in rates has not been allowed in England and in the United States, nor in New Zealand, in reference to public utilities such as the transportation of goods on railways." From this decision we gather that the allowance of discount in the way alleged is against the law in New Zealand under the system there, based on the principle that "such liberty

should be granted as makes for the liberty of all." The matter is of importance to life offices, inasmuch as if a rebate cannot legally be allowed to a New Zealand policyholder, it cannot well be conceded to the Australian policyholders only. What is the privilege of one must be that of all, so far as mutual offices are concerned.

The London Times asks, What will be the effect on profit sharing policyholders of life offices of the heavy depreciation in securities of the past six months. No office remains untouched by the fall in prices. The rate of interest is a large factor in the determination of the life premium. It is as important as the rate of mortality. Every policy will bring a claim. The Times's worry seems "uncalled for." Values will recover and meantime all new investments cost less and pay a higher rate of interest. The lower-value securities continue to pay the same rate of interest as formerly. It is easier now than ever to earn the 3 percent basis rate. The claims to be met can be met out of current income; it is not necessary to sell securities to pay claims. The life office need expect no catastrophe like that which a fire company may face. The London paper takes a column and a half to make what it styles "A Plea for Non-Profit Policies," based on the recent depreciation in values.

The cotton gin was invented soon after the American Revolution, in 1793, by Eli Whitney, a young New Englander who was visiting in the Black Belt. Previously the seeds were removed by hand. To Whitney, therefore, the world is indebted for cheap cotton and pure "olive" and cotton seed oil.

The paid-up life policy is real estate indeed, which wont burn up nor run away.

Assessment life insurance is still increasing, "but they don't know it at the home office."

The most modern flat is the young man who has no use for life insurance.

August new business for the Manhattan Life was 140 percent of that written in same month last year.

ONE THING AND ANOTHER

The paper pictures of Elbridge G. Snow, president of the Home, make him look like a young man. The camera always reflects the age of a man's heart. Mr. Snow will always look young.

* * *

Said Mrs. Underwriter to Mrs. Lawyer: "I know my husband wins all his golf games, for he brings his score cards home and I see them. 'Self'—that's my husband's score—always has the most points." And these ladies can vote!

* * *

I can vouch for an odd dream verified. Many years ago, Charlie, janitor of the old Liv. & Lon. & Globe building, eked out his handsome wage by selling lottery tickets. He too easily persuaded the editor of this paper to buy four L. L. tickets at 25 cts. each. That was his first buy. Altogether he bought \$200 "worth" and won \$7.50. But let us return to the psychological mystery. The editor looked no further on the unlawful tickets but locked them in a drawer. About a week later, and certainly before the publication of the winning list, he dreamed that the two terminal figures of the grand prize were 84, and that he had a ticket with them. He related this odd dream to N. P. Sheldon, now gone to his reward. A week later the morning papers printed the official list of the drawing. The terminal figures of the ticket winning the grand \$60,000 prize were 84. Ye editor hastened to his office, called Mr. S. to witness, unlocked the drawer and took out the four tickets. On one were the terminal 8 and 4. His dream had come true—and he had won the princely sum of \$1.25. How is this psychological puzzle to be solved? There is one possible practical solution. An evening paper always posted on its billboard the winning number as received by wire. The editor, passing, may have glanced at the board and unconsciously noted the number. In his dream he may have recalled the last two figures. But why not three or all? He had not previously noted any figures. He does not remember looking at the board and his impression at the time was that the in-

terval was much longer than that between prize-number posting and prize-list printing. There are more strange things twixt h. and e. than our philosophy takes note of. If the reader had any similar strange experience let him set it down and send it over.

* * *

He was a banker, a merchant, and a money lender. And he was a stockholder and director in a fire risk company. Suddenly he bethought him that his risk-coverer should pay dividends as large as those of his bank. Then he began investigating. He told the officers they should pay smaller salaries, that they should write more business and appoint more agents. How much is that clerk paid? Too much. What does that man do? That is the underwriter. Why don't you make some clerk do his work? What salary does he get? \$—— a month. Awful! No wonder we stockholders are paid only 6 percent dividends. This will never do. And out went the underwriter, and a few months later the company was reinsured.

* * *

Small men should strive to have the appearance of largeness of soul, by generosity of sentiment and breadth of view. For, however unjust the suspicion, the unthinking world suspects the small man to be narrow also. But Napoleon was a small man.

* * *

Poor insurance adds to the cost of living. Just as bad debts are charged to the cost of the business, so partial payment of insurance due is an outgo above which a profit must be made. When a debtor collects only part of his insurance, the creditor must accept less than his due.

* * *

If you like the girl—and her brother—marry her. Your son will probably be like her brother or father, and your daughter like your sister or mother. But if you would have good luck, take out a life insurance policy every time you increase the size of your family.

"Oh, doctor!" he exclaimed; "what shall I take for my stomach?" "Take? why, give it away!" said the unfeeling man.

* * *

Capt. Scott, in "The Voyage of The 'Discovery,'" says that when in winter quarters under the aurora australis, if one is standing still and bareheaded, and exhales a deep breath, one can actually hear one's breath freezing a moment or two after it has left the mouth. The sound is rather like that produced by the movement of sand on a beach when a wave washes up.

* * *

Oil and acetylene were used aboard the "Discovery" for lighting, after the windmill breakage made the electric plant useless. The danger of fire gave Capt. Scott some anxiety. The ship was built of wood and held all supplies of the explorers, and lay frozen in the black winter night of four months. When the temperature fell the pumps froze solid after use (the ship always leaked), and to be brought into action again they had to be opened up and thawed out with a blow lamp, a task which occupied a half hour. Fire therefore would have to be fought without water.

* * *

The publisher asks me to thank the C. R. subscribers who have been promptly paying their subscription bills. Old and new subscribers stay with us in a very encouraging way, and do not yet express a wish for us to hasten the change from a valuable monthly magazine to an insipid weekly gossip.

* * *

There is no doubt the six-cylinder company has an advantage over the little runabout. The latter must beware and always keep in repair—must pick its way if it would stay, and carry only such loads as fit its hp and the roads. It does not need to excel in speed, and if heavy at the top is too likely to come to a full stop.

* * *

Pacific Mutual News for September 1 is a handsome pictorial number devoted to Hawaii—which deserves to be advertised thus far and freely. We do not recall a better fieldmen's paper.

The night-owl says "Who's-who-hoo-hoo," and then repeats himself.

* * *

In ordering your calendars insist on the printing of the whole year on the card face beneath the monthly sheets. Such a calendar is preserved the longest, for everyone has need to know some past date or day.

* * *

An honest man is the noblest work of God—and the rarest, believe me. Think of this when you buy—and when you hear scandal.

* * *

The cost of living would be greatly reduced by suppressing all swindles—and all retail credit.

* * *

Poor insurance means a bad debt. Credit men know this to be true, and they therefore urge retailers to insure in good companies only and keep covered. But the average credit man doesn't know a bad company when he sees it. The Credit Men's Association recently invited the manager of the Associated Underwriters to address them on the subject of sound fire insurance and adequate rate-making, and he accepted the invitation. This proves the value of the Credit Men's organization and their appreciation of sound underwriting methods and dollar for dollar companies. We are now ready to join and pay our dues for value received.

* * *

"They hattocum to the Pacific Coast for the best men."

* * *

I am told that the only contingent which a certain Chicago gentleman may "earn" this year will be derived from the Pacific Coast—if any.

* * *

Inheritance tax laws were never passed to reduce the poor man's taxes, but only to increase the cost of government. See that your insurance is payable to a beneficiary and not to your estate.

* * *

A broker writing to the London Times uses the word "endorstation."

ACCIDENT, CASUALTY and SURETY

Accident Companies Attacked

As insurance companies, we are bearing the brunt of an attack which should, instead, be directed at the old archaic system of common law damages for industrial injuries; that attack is directed at us through ignorance of the facts. It is, we believe, an unjust attack, based upon unfounded charges. But what are we doing collectively to lead public opinion towards a just, calm and dispassionate verdict in the matter? The recent agitation in one or two states for some form of state fund from which compensation may be provided, is born only of lack of knowledge as to the needs and best interests of those most directly effected—workmen and employers. Shall we not serve their interests and our own by unreservedly co-operating with them for the elimination of unbalanced schemes and the attainment of just and practicable legislation.—Charles H. Holland.

Preferred Accident Examination

The New York state examination of the Preferred shows nearly \$3,000,000 assets, \$700,000 capital, and \$786,557 net surplus. The policyholders are well protected. The company is favorably mentioned in the report for its fair and speedy settlement of claims.

Assessment Life and Accident Associations

The New York state insurance report gives these figures:

Assets	\$3,692,093
Liabilities	2 088 740
Received from members	2,651,789
Claims paid	2,235,422
Insurance in force	91,778,443

Seven-ninths of the business is in New York. Receipts from members decreased. Assets increased nominally and liabilities increased \$216,212.

The stockholders of the Interstate Casualty & Guaranty Co. of Albuquerque, N. M., have voted to increase the authorized capital up to \$250,000. Some of the original stock is still unsold but its sale is guaranteed by several stockholders. In November, it is believed, the new company will have its capital paid up and a like amount of surplus. The stockholders are chiefly bankers and stock-raisers. The officers are: A. B. Renchon, banker and attorney, president; O. N. Marron, state treasurer, active vice president; there are four ornamental vice presidents, among them an Otero. James A. Blainey, insurance agent, secretary and general manager. C. A. Bishop, a Santa Fe insurance man, is one of the directors. The directorate is a strong one.

Plate-glass insurers should cover all breakages from any cause not fraudulent. Flood damages to plate-glass windows and doors at Dayton were far more than quake damages to glass in San Francisco and Oakland and other California cities in 1906. The writer on that April morn noted that the damage to plate-glass fronts was restricted largely to wooden buildings. The plate-glass company that first takes out the exemptions will get most of the business.

In our legal digest we print an abstract of a case wherein the Maryland Casualty resisted the accident claim of a physician who lost his eyesight because of infection contracted through a surgical operation. The defendant insurer lost the case in the supreme court of its home state. The defense was merely technical.

The American Surety Co. has four bonds for nearly \$6,000,000 covering a trust company's liability as custodian of securities behind the government crop-moving deposits.

A Kansas City casualty company found boiler insurance unprofitable and reinsured.

Industrial Health and Accident Agents and Their Managers

Agents going into the business of writing industrial health and accident insurance have too frequently failed to take it up in the spirit of a permanent vocation. In too many instances they see only what looks like making an easy dollar. They do not realize that justice to the man with whom they deal and loyalty to the corporation they represent are one. In many cases they are permitted, and in some they are even encouraged to believe that they should take advantage of every possible technicality in favor of the company as against the insured.

This indefensible condition, where it exists, is largely chargeable to the executives of the companies, who in too many instances do not undertake to organize their agency forces on a permanent and scientific basis. The agents are not properly trained or inspired by the company officials to whom they naturally look for direction. Seemingly they are only expected to produce business and to bring in premiums. With this for their stimulus, justice to policyholders and loyalty to company are too apt to be forgotten, their apparent self-interest leading them constantly to seek more remunerative contracts, whether with their own or with some other company. This leads to profit-sharing contracts on the one hand, and to twisting on the other. Both evils are, therefore, traceable directly to the companies themselves.—Henry D. Appleton, Depty. Supt. of Ins. of New York.

Rumor Denied.—President Joyce denies the rumor that he owns 52 percent of the capital stock of the Stevens Contracting Co.

“Planning to entertain extensively,” in social notes, is the polite way to say “expensively.”

Automobile Rides Led to Embezzlements and Arrest

James Schoonmaker, a clerk employed by the Home Savings Bank of White Plains, N. Y., was arrested September 16, charged with embezzling \$2,836. The bank officials say the money was spent among the clerk's friends for automobile rides and entertainments in roadhouses in the neighborhood. Rumors of midnight dances and entertainments at inns at Schoonmaker's expense led to an examination of his books by his surety, the American Surety Co. It was discovered that he had been appropriating money for two years, and had manipulated the collection accounts to cover up shortages. After fleeing to Mexico about six weeks ago, he returned for some unaccountable reason and was arrested.

Schoonmaker received a good salary, and was the leader of a band of musicians. Prosperity is no preventive of embezzlement. The bank will suffer no loss, as the defaulter was covered by a \$10,000 bond of the American Surety Co., and the claim was paid the day after its receipt.

Preferred Accident Pays Three Large Los Angeles Claims in One Day

One for \$15,000, and two for \$7,500 each. Three drafts which manager G. C. Farrell signed and delivered. The \$15,000 was a surprise indeed, loss occurring just as the other claims were adjusted.

This is good work for a single day—\$30,000 in three drafts, delivered promptly to three pleased beneficiaries.

Walter Dickson Gibbs's automobile went down an embankment, injuring him so severely that he died a few hours later. The widow was paid \$7,500.

James Arthur Reid was accidentally killed by a street car July 12. On July 19 the widowed beneficiary was paid \$7,500.

Jake Barmon was killed by an electric train, July 13. On July 19 the beneficiary, the sister, was paid \$15,000.

These very prompt payments of undisputed claims are very much to the credit of the Preferred Accident Ins. Co. and its genial Pacific Coast manager, G. C. Farrell.

INSURANCE OF ALL KINDS

Canton Insurance Office

The annual statement before us gives these figures for the Canton Insurance office: Assets, \$2,096,766, gold, more than half of which is in mortgages, loans and debentures. The paid up capital is \$250,000. The reserve fund is \$800,000. Net surplus over capital \$1,357,229. Net premiums for the year under consideration, \$545,685; losses and claims paid, \$119,248. The company has \$200,000 on deposit in this country. Parrot & Co. are the general agents, and J. J. Theobald is manager.

Marine Insurance in Oregon in 1912

	Net Prems.	Losses Inc.
British & F.	\$30,603	\$17,724
Canton	1,626	. . . .
Commercial Union :	7,579	45
Federal	2,451	89
Fireman's Fund	15,391	11,104
Home	343	. . . .
Ins. Co. N. America	5,255	4,380
Marine	822	. . . .
Royal	25	. . . .
Royal Exchange	1,463	167
St. Paul	1,826	10,451
Thames & M.	19,910	1,754
Union	2,764	11,157
	\$89,159	\$56,872

The above figures are taken from the Oregon state insurance commissioner's report.

Graded Commissions in Oregon

For special reasons graded commissions have not been paid in Oregon, but a petition for their payment has been generally signed and it is understood that the Board of Fire Underwriters will act favorably thereon. Perhaps when this magazine is off the press the Board companies' agents will be adjusting their agencies to the conditions of graded commissions. Only board companies can be represented where graded commissions are "lawfully" paid. This tardy justice, for so we may term it, seems rather late to be

be satisfactorily efficient, for not a few "horses" have been stolen.

Millions for Salaries But Not a Cent for Publicity

The big life insurance companies of the country were red-hotly scored for not advertising in the press of the country, and giving the business intelligent publicity, at the twenty-fourth annual meeting of the National Association of Life Underwriters. The great amount of lapses, one speaker said, is due to the lack of publicity of the rights and benefits of the assured. A meeting of distillers received pages of pictures and type, but a meeting of life insurance men in the same city on the same day received not a line of notice.

The Christensen & Goodwin Pacific Department

This San Francisco office, considered as a plant and as a company retaining agency is one of the few oldest on the Coast. It began with the American Central and was followed by the St. Paul and the Lloyds Plate Glass, all three of which are still represented. The recent retirement, by reinsurance, of the old Boston company, the Mercantile F. & M., was followed by the establishment of the Mercantile F. & M. Underwriters and the Minnesota Underwriters.

Christensen & Goodwin's fire premium income passed the \$700,000 mark in 1909, when the San Francisco premiums exceeded \$100,000. The department fire premiums have since yearly exceeded \$700,000, with a moderate yearly loss ratio.

This Pacific department has offices at 235 to 241 Sansome street. The territory represented includes—

California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona. Business, as reinsurance, is also accepted from Alaska and Hawaii.

The field staff is as follows:

R. De Lappe, C. R. Parmentier, Geo. T. Gray, Carl A. Truitt, J. R. Mackay, E. B.

Flack, Wm. F. Zwick, Walter A. Frazier, Fred Tebben, John B. Fritschi, L. L. Dibble.

The department is very successful, and we fancy it could give satisfactory business to another large, strong company.

Cooler Weather and Better Work Now

Summer is past and autumn is here. October, November and December are among the best producing months in the year, for the insurance worker. Let every mother's son of them "gird up his loins" and so forth and smite the procrastinator who neglects to insure.

An Impaired Life Company Quits the Game

The Great Northern Life of Toledo, O., with nearly \$2,000,000 in force, has gone the pace for new business that kills. All its surplus and part of its capital have fallen into the expense maw. Negotiations are now on for reinsurance in another company.

California National Life Has Been Turned Over to the International Life

Three state insurance commissioners have approved the reinsurance of the California National Life of San Diego by the International of St. Louis. The assets and business of the California company have been turned over to the reinsurer. The insurance in force reinsured is \$1,700,000; the assets turned over amount to \$322,000, including \$250,000 capital and about \$41,000 surplus. The reinsured company had not recently been pushing for new business.

The International Life is a prosperous company, with a surplus nearly equal to its capital, and with some \$2,000,000 in approved securities on deposit with the state authorities of Missouri. The policyholders of the California National Life have therefore better protection now than formerly.

In 64 years the Australian Mutual Provident Society—an excellent, distinguishing name—has received \$375,258,750. In the same time it has paid out \$226,582,530. The net accumulated funds are now \$148,-

614,065. The expenditures and the sum held in trust amount to \$121,504,150 more than the receipts from policyholders.

Four Fire Mutuals Fail

The Manufacturers & Merchants, the United States Merchants, the Exchange and the Provident, all of Philadelphia, and all apparently operated by one pooh-bah man, have been placed in a receivership, because unable to pay losses.

International Life Ins. Co.

Since organized in 1909 this Missouri company has absorbed six other companies, to-wit: Great American of St. Louis, Great Western of Kansas City, Empire of Texas, Guardian of Spokane, Tennessee of Nashville, and California National of San Diego. Apparently it has the capacity to digest a few more.

The International is licensed to do business in twenty-one states. Its capital is \$487,500, surplus nearly \$360,000, and assets \$3,380,000. Its premium income is \$125,000 a month. The outstanding insurance is nearly \$37,000,000. This is a very good showing.

The Insurance Federation of Ohio is being imitated in other states. The design is cooperation of policyholder, agent and company, as having mutual interests in promoting good legislation and killing the bad, and also to establish and maintain high, clean standards of professional conduct. There is said to be a movement to launch such a proposition in Washington. Indiana has organized, Missouri is organizing, and the more hopeful expect some such needed movement in Chicago.

Whitney Palache and James Wyper assumed their new vice presidential duties with the Hartford Fire last week.

Texas.—A letter from an insurance company canceling a policy for failure to pay the premium, which was shown to the agent who had accepted a note for the premium and agreed to pay the amount to the company, was admissible in evidence against him.—Newman v. Tarwater, 159 S. W. 495.

The World's Insurance Congress at San Francisco in 1915

From an address delivered by W. L. Hathaway, Commissioner of Insurance for the Panama-Pacific International Exposition, before the twenty-fourth annual convention of the National Association of Life Underwriters, Atlantic City, N. J., September 18, 1913.

Insurance underwriting and the vast interests that underwriting has created with its myriad of occupations, employing the brains and energies of several hundred thousand of America's most active and enlightened citizens and furnishing the main-spring of stability to American commerce, enterprise and society, for the first time in American history has just been given official recognition in a great national undertaking, authorized by act of Congress of the United States. For the Panama-Pacific International Exposition, especially charged with the responsibility of exhibiting to the world civilization's advancement in all that benefits mankind, has given to insurance the same recognition as to the fine arts, manufactures, agriculture, machinery, transportation and the other arts and industries by creating the office of commissioner of insurance, the incumbent of which is charged with the responsibility of issuing national and international invitations to participate in a great "World's Insurance Congress," which will convene in San Francisco from Oct. 1st to 15th inclusive, 1915, occupying over one-twentieth of the entire period of the exposition's life.

During former expositions there has existed a commissioner for each and all of the other arts and industries through which the human race enjoyed prosperity and happiness, but with all of our vaunted strength and stability, never before has insurance been so recognized, and that this recognition is a forward step for the interests of insurance in the minds of the American people, has been understood and appreciated by the American insurance world. This is demonstrated by the fact that since the creation of this commission the congress has been recognized by resolution, and representatives have been delegated to serve upon its national council, by the great majority of the big national associations of a business

and professional nature having to do with all branches of insurance activities.

The world's insurance congress is today truly a national undertaking, and from an insurance standpoint doubly so, because in addition to its being clothed with all authority conferred by the United States government upon the Panama-Pacific International Exposition to extend domestic and foreign invitations, it is now also clothed with a nation-wide endorsement by the national and state associations representing all branches of the insurance business and its allied professions.

And, fellow members of the National Association of Life Underwriters, I am proud to be able to make this announcement from your platform, for it was at our Detroit convention three years ago that the idea of holding a world's insurance congress had its inception; in fact, it was at a little dinner where I had the honor of sitting down with fourteen representatives of the insurance press present at that convention that the idea of this congress had its first broad discussion, and it might be said that the courage to go ahead with such a gigantic undertaking was fostered into existence on that occasion and fortified by a discussion of the subject with a number of this convention's leading thinkers.

I went on to New York, and as far as I was able to ascertain, found that the opinion was unanimous that such an undertaking, if carried to a successful conclusion, contained possibilities of immeasurable good to the business of underwriting as a whole in this country. It was recognized that a closer co-operation of the tremendous influences known to exist in connection with insurance interests would be desirable, not only for those engaged in it as a business or profession, but principally for the insuring public as a whole. In fact, such a point of contact had long been contemplated by many of the leading thinkers, but the logical point of organizing activities had never been decided upon. I argued at that time that the part which insurance played succeeding the great San Francisco disaster, making it possible for a city to rise almost magic-like from the ashes of its great fire, created an

understanding of the benefits of insurance sufficient to warrant that re-created city in constituting itself the magnet to draw together the insurance interests of this nation for such benefits as a closer co-operation might eventually yield; and upon my return to San Francisco I argued to the insurance men there that through the natural acts of Providence an obligation had been created for them to undertake an organization that would eventually confer back upon insurance as a whole, some of the benefits which insurance had conferred upon us as a city.

And now, while history is always a little dry, still it seems necessary at this time, when extending our official invitation to the world of insurance, that a complete understanding of each step in the growth and development of this organization should be given, in order that it may be fully understood by insurance men who had passed through the world's greatest crisis, from which insurance had relieved them, and that it was undertaken in a patriotic sense as a service to insurance by a city which largely owed its existence to insurance blessings; and while at that time it was very uncertain whether or not our great World's Exposition would be held at that point, still I argued that to the insurance world the rebuilt San Francisco was an exposition far exceeding any other display that human agencies could bring together; and appearing before the Life Underwriters Association of San Francisco at their next regular monthly meeting, after my return, on October 14th, 1910, I introduced the resolutions, which were unanimously adopted, in favor of holding a world's congress of insurance interests in this city in the year 1915.

I can say with much reason that the members of the insurance press have made this congress possible, and to me this seems natural, because they, of all the other vast insurance fraternity, occupy the position that has familiarized them with the many powerful bodies that only waited to be brought into closer relations to create an influence, and be able to cope with many problems that had proven difficult to the

separate organizations; so I suppose the reason that they encouraged with such liberal publicity each step in our undertaking was that fact.

The committee authorized by these resolutions consisted of W. L. Hathaway, chairman; Geo. B. Scott and John Landers, to which Wm. J. Bell, as president of the San Francisco association, was added by our special request, and this committee of four undertook a campaign among the leading insurance men of San Francisco to perfect an organization in keeping with these resolutions, the details and work of which was carried forward with such energy that within a short time they were able to hold their first meeting with fifty odd members present who had signed an application for membership, which was in fact a pledge of their influence and services; and at that meeting the resolutions were adopted.

I was rather proud of the dignity of serving as chairman of this new association, the membership of which was made up very largely of men whose names stood among the most prominent in our state, so I began rather an ambitious campaign of correspondence, and in the next few months thirty-two thousand letters went out to thirty-two thousand insurance men throughout the world. It is true that the letter was lithographed, but the name of the party to whom the letter was sent was filled in at the head of each one, and I personally signed each and every one of them as chairman. The first paragraph of that letter also claims a place in this paper, as it, too, points the objects for which we were working, and I quote it as follows:

"We earnestly invite your interest and active co-operation in the above undertaking which calculates to bring together for the first time in the world's history all the various interests engaged in the commerce of insurance in all its branches."

Now while a surprisingly large percent of these letters brought replies, they developed one most interesting and gratifying fact, and that was that it was the men occupying positions of leading influence who had time to read and answer that letter. Some of them wrote cautiously and inquiringly, but a careful check of American insurance registers showed that those with the reins of in-

fluence were interested, and further correspondence with many well known thinkers developed the fact that they had long sought a means of bringing the many separate influences into closer co-operation for such purposes as might be mutually beneficial.

Emmet's Extreme Ruling as to Liability Expenditures

Liability insurance has been running amuck, as it were, with regard to commissions and losses and rates. Rates have been cut and the companies have been forbidden to unite as to rates and commissions; the latter have been increased in competition; and losses have been busy climbing too.

The insurance superintendent of New York, who also speaks for other state insurance departments, has attempted to cure the distempers of this unprofitable business, by reducing the commissions of agents and brokers and the expenses of general agencies and departments.

But he goes too far!

Employers' liability and workmen's compensation commissions are limited to 10 percent of the premiums.

Public liability, including all forms of automobile insurance, and team, elevator, and general liability commissions are limited to 12½ percent of the premiums.

All general agency, department or branch expenses are limited to 20 percent.

The companies must not go after business in any competitive way. Rates are to be based on loss experiences, of course, but it is not suggested that the liability companies join in uniform rates according to their combined experience.

We invite Mr. Emmet to join us in the task of imagining a general agent or department or branch manager conducting a liability business on a limit of 20 percent of the premium income. After paying commissions he will have 10 percent or 7½ percent to pay rent, clerk hire, special agents' salaries, stenographers' salaries, traveling expenses, miscellaneous office expenses, etc. How much will there be left for him, through whose care and ability alone can there be a profit?

If a liability premium income of \$50,000 be written \$10,000 in expenses is permitted, about \$5,500 of which is paid for commissions, leaving only \$4,500 for rent, clerical expenses, printing, postage, etc.

If a general agency or branch writes \$100,000 in premiums, which is a large sum, the expenses are limited to \$20,000, of which rent, commissions, salaries and other expenses will absorb every dollar or more.

In either case the manager or general agent will receive nothing unless he does the janitor's work and sweeps out the office.

Sacramento Fire.—Sept. 25, McLaughlin Draying Co. bldg. and contents.

Seattle Fire.—Sept. 22, Eckman Bros. furniture plant.

Seattle Fire.—Sept. 23, Pacific Board and Paper Co. plant.

Dayton Fire.—Sept. 25, "Courier" bldg. and printing plant.

New Mexico.—Laws 1912, c. 83, § 18 providing for certain disposition of moneys collected by insurance departments, which disposition is to continue indefinitely, is a violation of Const. art. 4, § 16, prohibiting general legislation in appropriation bills.

Laws 1909, c. 135, entitled "An act for the disposition of certain insurance money," paid to the state by insurance companies, authorizes an appropriation to the various fire departments of the territory only for moneys contained in the insurance fund.—State v. Sargent, 134 P. 218.

Water Scarce in Vallejo, Cal.—The water shortage in this "navy town" is extraordinary, and the restrictions are exasperating and unsanitary. Citizens are urged not to bathe, or "flush," or launder, more than is absolutely necessary. The town owns the poor water utility.

Agent May Testify.—In a prosecution for burning an insured building with intent to injure the insurer, an insurance agent may testify from his records that a policy was issued by him covering the building, as defendants cannot be required to produce it in evidence against themselves.—Seymour v. State, 63 So. 7.

Have the I. W. W.'s Taken Up the Torch?

There is in this country an organization of roving men who are anarchists as well as socialists. They conceal nothing of their real sentiments. They are "agin" all government and all employers and say so. Their motto is, Destroy and appropriate, for property does not belong to the people who hold it.

At a meeting of these disorderly men, who say they obey no law unless they have to, one of the speakers, who had been working in a mill, said he had "fixed" the automatic sprinklers so they would not work. Of course he did not admit setting the fire.

The recent fires in woodworkeries have come in rapid succession, and several are known to be of incendiary origin. The watchman at La Grande was driven away by armed hoboos, supposed to be members of the saponaceous but not saponaceous I. W. W. Are these men applying the torch to make more work for the poor wurreking-mon? In Japan this has been done with the connivance of the local authorities. Hundreds of hoises are burned in order to give the idle carpenters something to do.

It would be a very serious state of affairs if our free speech laws have permitted the inculcation of such lawless and incendiary doctrines in the minds of the ignorant and vicious men who comprise most of the membership of the criminal Industrial Workers of the World—who won't work if begging and stealing can prevent. As the mere fact of a succession of fires does not prove a criminal conspiracy, we may hope there is no ground for the suspicion that these "bug-house" fellows have taken up the torch as a remedy for alleged social ills.

- Here are some of the recent lumber fires:
- Palmer Lumber Co., La Grande, Or.
- Smith Lumber Co., Bay Point, Cal.
- Chase Lumber Co., San Jose, Cal.
- Pope & Talbot Lumber Co., San Francisco.
- Brown & Doane yards and G. R. Green mill at Willows, Cal.

Shingle and cedar siding mill at Raymond, Wash.

Royal Exchange Assurance

The home office report presents these very substantial totals for the Royal Exchange:

Assets	\$33,975,495
Life assurance funds	17,646,390
Fire assets	\$16,329,105
Capital paid up	3,446,100
Premiums	6,663,450
Claims	3,975,110

These figures embrace marine and miscellaneous. Losses, commissions, expenses and bad debts deducted, there was a balance of \$610,490 out of the premiums. Losses in the marine department include \$257,500 for claims by the Titanic.

The United States branch has \$2,738,433 assets of which nearly a million is surplus. Premiums last year, \$1,916,660, a gain of over \$302,000. R. D. Harvey is the United States manager. For Oregon, Washington, and Northern Idaho, Lawrence F. Lamping, Seattle, is state agent.

Personal.—Dr. and Mrs. Wm. R. Cluness, Sr., celebrated their golden wedding anniversary at home in Alameda, Cal., September 18. Dr. Cluness was for many years chief medical examiner of the Pacific Mutual Life Ins. Co. His son holds that position now with the West Coast Life Ins. Co.

To the Receiver.—Glance at, then read, this sample copy. Preserve it as a directory, for some of which's names you may some time soon need more than a gun or a son of a gun. But better—subscribe.

The American of Newark advertises that following prompt, expert and equitable adjustment of losses, it pays same immediately and without discount.

San Francisco.—Last week 100 shares of Western States Life stock changed hands at \$9, par value \$10.

These insurance fellows are always talking about the conflagration hazard, which must be charged for; and they charge, you bet, and collect the money and—spend it—spend it because no law makes them keep it for to pay them big fire losses.—Redwood Logger.

Bay Point Lumber Insurance

Fire August 26.

Insurance on burned yards, \$700,000.

Loss, \$600,000.

Mutuals and interinsurers, \$285,000.

Lloyd's of London, \$175,000.

Stock (non-board) companies,
\$240,000.

Stock companies writing at the non-board rate were about as follows:

National Union	\$45,000
Insurance Underwriters	25,000
Lumber	15,000
Fidelity-Phenix	10,000
Republic Underwriters	10,000
N. B. Franklin	10,000
Continental	7,500
New Jersey	7,000
Fidelity Underwriters	5,000
Glens Falls	4,000
Security	4,000
International	3,000
German, Pa	3,000
Concordia	3,000
Humboldt	2,500
Commercial, D. C.	2,500
First National	2,500
Southern States	1,500
Vulcan	1,500
Other Stock Cos	78,000

Letter from the Northwestern Mutual Fire Association

Seattle, Wash., Sept. 15, 1913

Coast Review, San Francisco, Cal.

Gentlemen:

Re Loss Stock C. A. Smith Lumber Company Yard, Bay Point, Cal.

Answering your inquiry to President Martin, relative to the above, beg to advise you that the Northwestern Mutual Fire Association carried on stock of lumber for the C. A. Smith Lumber Company at the above point a total line of \$48,000, of which \$32,500 was reinsured, leaving the net retention of the Northwestern \$15,500.

Mr. Martin, as Pacific Coast general agent of the hereinafter named companies, placed lines for the companies in amounts indicated, to-wit:

Central Manufacturers Mutual Ins. Company, Van Wert, Ohio, \$10,000.

Lumbermen's Mutual Ins. Company, Mansfield, Ohio, \$10,000.

The Lumber Mutual Fire Ins. Company of Boston, Mass., \$10,000.

Pennsylvania Lumbermen's Mutual Fire Ins. Company, Philadelphia, Penn., \$10,000.

Indiana Lumbermen's Mutual Ins. Company, Indianapolis, Ind., \$10,000.

Fitchburg Mutual Fire Ins. Company, Fitchburg, Mass., \$5,000.

Thanking you for your inquiry and trusting that this will give you the desired information, we are Yours truly,

Northwestern Mutual Fire Association,
M. D. L. Rhodes, Secretary.

Wedding

The marriage of Mr. Francis Howland Porter to Miss Xena Roberts, daughter of Mrs. Alexena Roberts, occurred in San Francisco, September 4. The groom is the manager of the Fire Underwriters Inspection Bureau of San Francisco, a position he has ably filled for many years.

The Hudson Bay Clan says Geo. W. Brooks, secretary of the California Ins. Co. and C. M. Rupe, special agent, called at the head office (Vancouver) and spent a few moments in pleasant chats with our general manager and the editor. Mr. Brooks contemplated visiting the prairie provinces before returning to San Francisco.

Moral Federal Officers.—The federal district attorney and the postmaster at San Francisco discovered that September Morn post-cards are highly pernicious and forbade them the mails; but neither official had any objection to an evening paper containing a vile story of the underworld, which was not denied the mails.

Personal.—A. R. Gurrey, manager of Honolulu's model board, greeted friends last week in San Francisco. Urged to take a needed vacation, he is on his way to London, to visit a brother for the first time in many years.

The extension of graded commissions to Oregon is now under advisement.

Pacific Coast Casualty Co. Letter to the Public

San Francisco, Sept. 25, 1913.

Frankness with all those entitled to it is the policy of the present administration of this company. We realize that during the past few months we have been under heavy fire and perhaps justly so.

The company's control is now in hands that have largely contributed to the building of other Pacific Coast institutions, and whose desire it is to find reasons why just claims should be paid without delay.

The change in the laws of this state, made by the last legislature, has resulted in its being necessary for the company largely to increase its reserves. This has been done, and to the further end that even the most captious should be unable justly to criticize the company's condition or affairs, the board of directors has this day voted temporarily to reduce the company's capital, and to transfer \$100,000 from that fund to the surplus account. We say "temporarily" because it is contemplated that when the financial affairs of the Coast have been restored to normal, the capital may largely be increased.

At this time we wish warmly to thank those agents and brokers who have, during the period of reorganization just closed, so loyally co-operated with and supported the company.

With this reduction in capital, the company will, until further notice, suspend its burglary and plate glass departments.

Yours respectfully

Pacific Coast Casualty Company,

T. L. Miller, President.

San Francisco's "Barbary Coast" (sailor's Pacific street) is to be "wiped out," temporarily at least until after the exposition. This street property therefore becomes a bad "moral" hazard in the underwriting sense, temporarily at least, extending from Columbus avenue to near the bay. The under-worldly denizens of this forbidden district will probably flock to the ocean beach and make all that property undesirable.

San Francisco.—The completion of the Jones street tank and the Ft. Mason pump-

ing station finishes present plans for the auxiliary high pressure water system. Connection of the second pumping station with the high pressure pipes will be immediately made.

Letter From Secretary of Western States Life Insurance Company

September 22, 1913.

Editor Coast Review, San Francisco, Cal.

Dear Sir: We are in receipt of your favor of the 18th inst., stating that you will be glad to print a summary of the results of the recent examination of this company by the insurance departments of California, Utah and New Mexico.

In answer thereto I beg to enclose herewith a complete copy of the report of the said examination, together with copies of letters from each of the commissioners of the states referred to, commending the management of the company and making favorable comment on its condition, etc.

I would say, regarding the present financial condition of the company, that on August 31st, 1913, its admitted assets amounted to \$1,531,836.71, and that its net surplus, over and above all liabilities, according to the strictest rules of the insurance department, was, on July 31st, 1913, \$161,437.67, and on August 31st, 1913, \$167,284.21, a gain in surplus during the month of August of \$5,846.54.

The paid for insurance in force on August 31st, 1913, was \$11,230,463.

The gain in the company's assets during the year ending June 30th, 1913, was \$104,329.60, and the gain in paid for insurance in force for the same period was \$3,772,113.

The amount of new business written since December 31, 1912, to and including August 31st, 1913, was \$4,541,398.

Regarding the cost of new business, would say that our calculation of this cost for the portion of the year 1913 expired, is not complete, but we know that the proportionate expense is constantly decreasing. For comparison of the expense of new business between this and other companies we beg to refer you or other enquirers to Best's Life Insurance Report Eighth Annual Edition of 1913, pages 698 to 702, inclusive. This report indicates that the ratio of ex-

pense of this company for the year ending December 31, 1912, was most moderate, and that the same is well below the average of all California companies, being 10.9 percent less than the said average.

Trusting that the above will give you the information for which you asked, I am

Yours very truly,
 Frederic S. Withington,
 Secretary & Actuary.

Warning to Local Agents

The president of the Michigan local agents' association, in his address at Detroit, warns locals that the tendency to consolidations and to larger companies, and the continued talk of state insurance, the big companies may conclude to remove the local agents. He urged a strong agency organization to meet this threatened danger.

Hot Springs Fire

This Arkansas health resort lost 518 buildings, all wood but 83 bricks, at the recent fire. The property loss is estimated at \$2,250,000, of which the insurers will pay \$1,500,000.

Some of the principal losses are about as follows:

National	\$70,000
Continental	58,000
Connecticut	55,000
N. Y. Underwriters	53,000
Palatine	52,000
Citizens	50,000
Liv. & Lon. & Globe	46,000
Aetna	45,000
Hariford	44,000
Milwaukee Mechanics	43,000
Queen	41,000
Home	40,000
Springfield	38,000
Hamburg Bremen	38,000
German Alliance	37,000
Royal Exchange	37,000
Fidelity-Phenix	32,000
Prov. Wash	30,000
National Union	30,000
Rochester German	29,000
Mechanics & Traders	28,000
St. Paul	28,000

Niagara	28,000
Commercial Union	27,000
Phoenix Assur	27,000
American Central	27,000
Pelican	25,000
Delaware Underw	23,000
North British & M	23,000
Boston	23,000
German Fire	22,000
Fidelity Underw	20,000
Pennsylvania	20,000
New Hampshire	19,000
Security	18,000
London & Lancashire	18,000
Westchester	18,000
Fireman's Fund	16,000
Fire Association	15,000
Reliance	14,000
Hanover	13,000
Western	12,000
Old Colony	11,000
American, N. J.	11,000
Camden	11,000

The Sun, Orient, Concordia, Teutonia, Philadelphia Underwriters, Eastern Underwriters, Firemens, Delaware, lost 7 or 8 thousand each. These figures are taken from the Review of New York.

General Manager Chappell of the Royal is touring Canada and will soon visit the Pacific Coast. This is his first visit to America. Manager Watt goes to Vancouver Saturday to meet Manager Chappell.

Mr. E. G. Halle, chairman of the Western Insurance Bureau at Chicago, has been appointed to represent that body on the "National Council" of the World's Insurance Congress.

The Surety Association of America has appointed R. R. Gilkey, secretary of that body, to represent it on the "National Council" of the World's Insurance Congress.

There are single business houses that spend more for advertising than all the life insurance companies in the United States

Connecticut and Phoenix May Amalgamate

The directors of the Connecticut Fire and the Phoenix, both of Hartford, have unanimously approved a plan of amalgamation. If the plan is assented to by the stockholders of both companies, the interests of the agents of both companies will be preserved, and the policyholders of both will have the protection of about \$10,000,000 capital and surplus. The joint premium income of the two companies is some \$9,000,000.

The combined assets are \$20,000,000.

It is understood that the distinct entity of the Connecticut as well as the Phoenix will be preserved. The agency organizations are to be continued much as at present.

Connecticut Fire stockholders are to be given share for share of the Phoenix stock and also a dividend of \$75 a share. The services of the managers and of the field and clerical staffs of the Western and Pacific departments are to be retained. The Connecticut plant will be fully maintained. The Phoenix will have \$3,000,000 capital. The Western manager of the Connecticut is J. J. McDonald. B. J. Smith is at the head of the Pacific department.

Probably in December a large part of the business of the Connecticut will be reinsured in the Phoenix and the reserve therefor transferred to that company. The Connecticut will have a capital and surplus and be continued as a separate company.

The new shares of the Phoenix are to be issued at \$360

Meetings of the stockholders of the two companies are on October 2.

A. Macdermott, accident secretary of the London & Lancashire is making a tour of the United States including the Pacific Coast.

General Agent Breeding of the Aetna Wedded

Did you hear the bells, bells, the wedding bells, which rang last Thursday, September 4, for our modest friend, W. H. Breeding? The bride was Miss L. C. Mausshardt, an estimable young lady, a resident of San Francisco. The wedding took place at the home of the bride's brother in Los Angeles. The happy couple are enjoying the honeymoon in Canada, and will not be "at home" for a month or so.

The Hartford city agency is now in offices on the ground floor of the new Insurance Exchange building.

Geo. F. Stott, formerly a life man in San Francisco, is organizing the Liberty Fire of New Jersey, which will write business for stockholders only. Rates are to be cut 20 percent and 30 percent dividends are promised stockholders.

North Dakota and South Dakota have been added to H. T. Lamey's territory for the British America and Western Assurance, with headquarters at Denver. Lamey likes dandy Denver. Somebody should start an insurance newspaper there.

The Hand-in-Hand Underwriters will soon be launched in the United States, composed of the Commercial Union, Palatine and Union Assurance, it is said. A good name.

Mather & Co., San Francisco, have organized a liability inter-insurance exchange, and plan to begin operations on January 2, 1914.

Advance sheets of the California Ins. Rept. will be out in about a week.

Manager Porter of the Inspection Bureau is in the East, where he will attend the Philadelphia fire prevention convention. He will return to San Francisco in November.

The Fire Proposal or Application

There can be no basis upon which to grant an indemnity unless the applicant have what is termed an insurable interest in the property. The remark passes as a commonplace that it is the man who is insured as much as, if not more than, the property, though in a strict sense—as should be well known—it is neither. The point here lies in the obvious inference that the property, however attractive and intrinsically valuable, will not suffice for the shortcomings of the man. These latter are the considerations which invariably dominate.

The proposal then seeks to elicit every factor likely to have a bearing upon the transaction intended for consummation; and an omission to make known what is material thereto must simply result in the issue of a valueless cover. The proponent is presumed to have complete knowledge of the property under description, and answers to the several questions do not discharge attendant obligations if he be in possession of other data which, being submitted, would give to the risk a totally different complexion. His motto must be "nothing withheld," so far, at any rate, as concerns the purpose in hand. No one proposal form can be constructed to adequately meet the needs of every case looking to the number and variety of hazards increasingly put forward as embodying suitable subject matter for indemnity. So there is an ever-present duty to steadfastly prevent an impression lodging in the mind of a proponent, that with the ordinary and oft-designated stereotyped questions substantially disposed of, absolution is automatic as regards disclosure of other known factors bearing upon the risk.

The questions in the proposal are in the nature of and fulfill the purpose of an introduction between the parties, as well as affording opportunity for definite outline of the physical and other aspects requiring to be submitted ere a contract can be entered into. That is to say, the intending contracting parties are brought together by this means, and a willing compliance with requirements enables pros and cons to be weighed to mutual advantage. In a word,

then, the introduction—per medium of the proposal—enables something of the personal equation, something of a man's leanings so far as these may impinge upon the fire hazard, to be ascertained. How often in our individual experience this introduction has led to a great deal being learned is certain of confirmation. How the feeling comes intuitively upon one that with a proponent there is an atmosphere which practically determines acceptance or rejection of his overtures, calls for no enlargement, or rather that space limitations will not permit dilation upon. Possession of this subtle faculty—to so clothe it—is becoming increasingly incumbent with the spread of indemnity demands, and the fire underwriter in posse must strive patiently for its cultivation. Acquisition of this power, or rather the path leading thereto, is along no royal road; indeed, its successful pursuit is truly synonymous with a continuous diligent enquiry into all that goes to make up our common human nature.—From Prize Essay by George Geattie of New Zealand.

Is the fire insurance system of rating scientific? The non-boarder answers in the negative. A very successful non-board manager tells us that while the board rates for a very large area may be scientifically correct, they are too high for a moderately large area and may be safely cut directly, or indirectly by a high commission. And it must be admitted that in the past—not now, of course—some board companies have "indirectly" cut the rates by paying excess commissions to be rebated. The extent to which established rates are sometimes slashed by free lance companies, and rewritten at the same low rates, suggests the need of a more frequent revision of rates and an improved system of making them.

—Forest fires along the coast from far north to Monterey, Cal., this month of September, have destroyed valuable timber and many houses, barns and orchards. Quite a few of these losses were covered by insurance.

—The Fireman's Fund golden jubilee year is producing a record premium income and bulging the assets too.

CHIPS

—Boston.—The Royal leads in half year premiums, with \$107,686.

—Does the pronunciation of Portola bother you? Remember it rhymes with Bogota.

—U. S. Manager Richards and General Agent Berdan will probably arrive in San Francisco in the last week of September.

—Among the directors of the American of Newark are Forest F. Dryden, president of the Prudential Ins. Co., and Edw. L. Dobbins, vice president of the Mutual Benefit Life Ins. Co.

—Saturday night in the old red schoolhouse there is to be discussion of the question, Does the high cost of insurance cause the high cost of living, or vice versa? Tim Jones takes the first affirmative, and Cy Wilson the second.—Redwood Logger.

—Field Men's Notes.—The Pacific department of the American of New Jersey (Geo. O. Hoadley, manager) has a field staff as follows: Alex J. Cartwright, San Francisco; Fred G. Ainley, Los Angeles; A. H. Jackson, Portland; F. J. Root, Walla Walla. The Portland office covers western sections of Oregon, Washington and British Columbia; the Walla Walla office covers the eastern sections of Oregon, Washington and British Columbia, and also Idaho, Montana and Utah.

—Panama Pacific Expo.—Manager Porter of the Inspection Bureau reports: In the graded section good temporary roads are at the service of the fire department. The ferry slip and yacht harbor can now be used by the fire boats. Bldg. "U" is completed; frame of bldg. "A" completed. Floors of five other bldgs. laid. Shavings and sawdust burned by Expo. Co. "No smoking" rule rigidly enforced. The bureau inspects. A chemical company is located on the grounds. Nine engines and one truck and one monitor battery, with 92 firemen, are within a mile and a half. Low pressure fresh water on the grounds in abundance. The Expo. Co. has eight 40-gall. chem. wagons scattered about the grounds. Connections have been made with the city's high pressure water system. Entire grounds are lighted at night with large arc lamps.

—The Connecticut Fire Underwriters is announced, with \$20,000,000 assets.

—Marine.—A succession of small losses on this coast line followed the fogs and gales of the Autumn equinoctial.

—"Non-resident fire companies are sending large sums of money East to be loaned out there," a Mr. Schmidt, representing a small local company, is quoted as saying at a home industry meeting. This is ridiculous. Losses, expenses and taxes absorb within the state 90 percent of the premiums—sometimes more.

—As the printer keeps the Fire Patrol's San Francisco premiums in type, he should be able to deliver the semi-annual and annual reports within 24 hours after receiving the copy from the secretary. These reports should always be delivered by the 15th of the month, since the law requires the filing of the figures by the 10th; whereas, as a rule, the contributing offices usually receive the printed report some weeks late. A little more enterprise, Mr. Secretary, if you please.

—Life.—We are informed that the California State Life is falling down. Many of its "best" high pressure men have left the company, expenses have been staggering, and the special contracts, always disappointing to the policyholders, do not appeal to the country guy as formerly. We expect to record a much, much lower amount of new business written but with a high expense ratio as before. People learn only by experience, not excepting stockholders.

—Personal.—General Manager Owen from the home office of the Commercial Union and Palatine, and Col. Wray, the United States manager, made a brief visit to San Francisco last week. Mr. Owen was here some two years ago.

T. H. Palache, assistant manager of the Atlas's Pacific department, does not take his pleasures sadly. With a good camping outfit, stout horses, guns, rods and cameras, he ascended into the high Sierras, to find beautiful scenery, complete rest, mountain brooks, and snow-cooled climate. Mr. Palache is reputed to be the best amateur shot and hunter with the ordinary and color camera on this Coast.

Business Maxims

If you buy in haste you will probably repent at leisure.

This may be true of an insurance policy.

The legal maxim, *Caveat Emptor*, is based on world-old knowledge of mean, cowardly human nature. "Let the buyer beware."

Never lose faith in human nature, present company always excepted.

Pay cash only when you have to. This increases your credit and friendly acquaintances.

Connecticut Fire in New Offices

The Pacific department of the Connecticut Fire is now delightfully situated in new offices in the Insurance Exchange building at the corner of California and Leidesdorff streets, San Francisco. The new Connecticut Fire Underwriters will occupy the same offices.

—Personal.—General Agent Irving of the Phoenix Assurance and the Union Marine has returned from his visit East and to the home office in London. Incidentally, he went over to Paris before returning home. "The city beautiful," la belle Páree, disappointed Mr. Irving, as indeed it does other Americans. We shall go over and look into this thing ourself. During Mr. Irving's absence the general agency has been in charge of the assistant general agent, Mr. Gallegos.

J. Robb Gay of Spokane, special agent for the Phoenix Assurance, is in San Francisco.

General Agent Harry Roff of the Home is in New York.

—Herman Nathan returned from Germany this week.

—Walter Speyer, a successful San Francisco manager, drives his big automobile like a chauffeur to the manner born.

—Burlington, Vt.—A speaker at the local agents' annual meeting warmly defended "underwriters agencies" as preserving the business to local agents.

—The general agent of the Connecticut Mutual Life at San Francisco, R. O. Miles, was the winner of the Ben Williams vase, at the recent meeting of the National Assn. of Life Underw.

—The National Association of Life Men had a successful meeting at Atlantic City last week. Among the vice presidents elected is J. Newton Russell, Jr., general agent of the Pacific Mutual at Los Angeles. Among those present at the meeting was Manager Hathaway of the Mutual Life's California department.

—Acknowledged. — Indiana Ins. Directory, 1913-14, by Rough Notes Co., Indianapolis. This leather-bound useful hand-book contains 416 pages. Of the contents the ads are not the least useful.

Annual Report of Utah Ins. Department.

Connecticut Directory of Insurance Companies and Their Agents, issued by the state insurance department.

New York Insurance Report, Part IV., assessment associations, fraternal orders, co-operative fire associations, business of 1912. A book of 844 pages. There are 28 New York life and accident co-operatives.

—Fakers Many.—San Francisco, as doubtless other large Coast cities, is overrun with fakers of all kinds. They are a pest indeed, who are persistent and ingenious enough to pass the vigilant guards in office buildings and annoy and victimize the tenants. And among them all there is not an insurance man, excepting him who tries to sell life insurance disguised as sugar-coated "bonds." There is the fellow who sells you a whole library you do not want and throws in a scholarship in a correspondence college; there is the fellow with "orthopedic treatment," with a course for nothing but just the use of your name—and the personal expenses of the "doctor;" and then there is the office furniture "doctor," who detects serious ills at a glance and charges you four prices for work you could easily do yourself. The lottery ticket peddlers, male and female, are legion, and bold and above police board. You fenced-in office folk know nothing about this flow of fakers, and you ought to save money and thank your lucky stars.

Pacific Mutual For Pacific Coast Agents

*The Best Opportunities for High Class Field Men
in a Company with a Clean Past and a Great Future*

CALIFORNIA AGENCIES:

LIFE DEPARTMENT

JOHN NEWTON RUSSELL, Jr., Manager
517 West Sixth St., Los Angeles

KILGARIF & BEAVER, Inc., Managers
5th floor, Shreve Bldg., San Francisco

WHITTINGTON & COLLINS, Gen'l Agents
1010 Van Nuys Bldg., Los Angeles

ACCIDENT DEPARTMENT

THE McCUISTION CO., Gen'l Agents
414 Story Bldg.,
Los Angeles

F. A. STEARNS, Manager
5th floor, Shreve Bldg.,
San Francisco



Organized 1868

ANSWERS

M.—The “stockholders’ funds” in the table in the July Coast Review were the total of capital, surplus and the commission to be received in the event of reinsurance. This commission is estimated at one-third of the reinsurance or unearned premium reserve. This total is what any well managed company can have on winding up its affairs, and it represents the actual stockholders’ funds. And it is because of such funds that wreckers buy control of solvent fire companies, “wreck” them, and divide the “spoils,” a sum always in excess of the capital and net surplus or book value. Local agents who are wise will be suspicious as to the designs of new owners of a company.

T.—If your friend is wise and well advised and in good health, he will re-

tire from the American Temperance Life before it drowns.

LIFE

The agency instructor of the Mutual Life, Jacob A. Jackson, who has been making a seven weeks’ tour of the Middle and Pacific West, has returned home. He gave talks to the company’s agents in San Francisco, Seattle, Los Angeles and Salt Lake City.

J. E. Nichols, a fine former producer for the Manhattan in Illinois, has returned to the service of the company. Roche, you are a wonder!

Bayard Taylor, a San Francisco life insurance solicitor, engaged himself to a professional nurse and then disappeared.

New York.—Assist. Sec. Henry E. Ide of the Home Life is dead.

FIRE

The Hot Springs papers were peppering the fire companies for "extortionate rates" just before the big fire. It seems fate. Abuse of the underwriters is a hoodoo.

F. W. P. Rutter, general manager of the London & Lancashire Fire Insurance Company, Ltd., recently completed forty years' service with that institution. The occasion was marked by the presentation of a signed illumination address containing 109 signatures of the company's officials all over the world, with a bronze, ivory and marble statuette and a Victorian silver dessert service. The directors presented Mr. Rutter with a handsome set of silver salvers.

The Imperator might burn at sea. So much is known by the recent fire. There is much wood in this steel ship.

GENERAL

Texas.—Employers must insure in a licensed company.

In the forepeak of this public vessel we print a Coast Review Posterette which some agent may find useful to post or copy.

Again we have a good legal department, in this September book; but as we are now up with the courts we can not hope to have nearly so many pages of decisions for several months.

Some women marry for money and some for alimony.

Sacramento, Cal., will probably have a 20-story sky-scraper.

The Detroit Conference is well served by a special number of the Western Underwriter. These accident fellows will get any man's goat. At Detroit the mutuals were the main guys, but there were others.

Fire and Automobile Insurance

American of Newark

Chartered in 1846

Capital Stock	\$1,000,000.00
Liabilities	5,431,072.05
Special Reserve Fund	300,000.00
Net Surplus	3,135,102.52
Total Assets	\$9,866,174.57

P. L. HOADLEY, Pres't.

C. W. BAILEY, Sec'y.

Pacific Department, San Francisco, California

GEORGE O. HOADLEY, Manager

THOS. H. WILLIAMS, Asst. Mgr.

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1913) . . . \$9,994,450.00

NET SURPLUS, " . . . 3,961,146.00

E. F. BEDDALL

N. S. BARTOW

GEO. W. BURCHELL

President

Secretary

Vice-President

Gross Assets ^{JAN. 1} 1913 \$104,642,884

Exclusively Fire Assets 46,944,394

Net Surplus - - 17,684,610

Losses Paid - - 247,700,319

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager

LIVERPOOL, ENGLAND



DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta
San Francisco, Montreal.  Agencies in all principal Cities and Towns

ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING, SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

Many New Companies Have Sunk Money

Best's Life Insurance News has an article from which we compile the following:

Since the Equitable Life investigations in 1905, 184 life companies have been organized in this country. Of these, 38 have already retired. The stockholders have paid into the treasuries of these new companies nearly \$65,000,000, besides \$10,000,000 to the promoters. During these eight years, the stockholders have been paid a little more than \$1,000,000 dividends, or say 1.33 percent, or 0.16 yearly. Loss of surplus, our contemporary figures, has been \$10,000,000 and loss of interest \$15,000,000, and promotion expenses \$10,000,000, or a gross loss of \$35,000,000 in eight years.

Saving the Workingman

We feel that as trustees of the hard-earned savings of workingmen it is our business as an insurance company not merely to pay death claims as they arise, but to attempt to put off the payment period as long as possible. This latter statement may sound mercenary; as a matter of fact, it is just the opposite. Few claims that have ever been paid to the families of workingmen have ever compensated them for the loss of the wage-earner and of their wages. If we can assist in prolonging the period of efficiency for the average workingman so that this family benefits thereby, we believe we are properly fulfilling our function as an insurance company for the masses of the population.—Lee K. Frankel, vice pres. of Metropolitan Life.

Seattle.—The Standard Fire is testing Commissioner Fishback's ruling that recent entrants in Washington

must deposit \$200,000 with some state. This is the strange law, but the commissioner will not now enforce it, pending the outcome of the case. Several companies are interested.

The consolidation fever has struck into the old and worthy Argus of Chicago, which is absorbed by Insurance Herald of Atlanta.

In addition to its regular orders, the U. S. government has recently placed an additional order for 100,000 pairs of army shoes.

Fire Notes

The Globe & Rutgers took over all the business of the Franklin, except its home D. C. business.

The Phoenix of Hartford took over the Canadian business of the Sovereign Fire.

The Concordia has started the Wisconsin Underwriters Agency. Next!

A big fire company had only \$3,000 net surplus on July 1.

Hereafter in Wisconsin policies must give the rate with co-insurance and without.

Buildings

Buildings in European cities generally are limited in height by the width of the street as, for example, not to exceed the top of a line running from the center of the street up at an angle of 45 degrees.

It is asserted that the telephone alone makes possible the modern skyscraper, for otherwise no possible elevator service could accommodate the throngs who must personally interview the tenants.

The Insurance Exchange in San Francisco is the latest type of office building, with low small ground offices.



Main Offices
56 Cedar Street

ORGANIZED
APRIL 13th, 1853

THE HOME Insurance Company NEW YORK

ELBRIDGE G. SNOW,
President

The completion of SIXTY YEARS finds THE HOME in the premier position among the Insurance Companies of the world not only in respect of FIRE ASSETS and SURPLUS to POLICY-HOLDERS—but with an unexcelled record for fair dealing in every emergency as well as in ordinary routine—with an unsurpassed equipment, and with the ability as well as the readiness to serve the public, its agents and brokers.

Licensed by the State of California Insurance Department.

Property Underwriters Association

Of San Francisco, Cal.

AUTOMOBILE INSURANCE
Complete Coverage

FIRE INSURANCE
MOTOR CYCLE INSURANCE

C. J. STOVEL, Manager and Attorney

Stovel Bldg., San Francisco
Telephone Kearny 2568

Branch Office: No. 207 I. W. VAN NUYS BLDG., LOS ANGELES

REPUBLIC UNDERWRITERS

POLICIES UNDERWRITTEN BY THE
AUSTIN FIRE INS. CO. and the COMMONWEALTH FIRE INS. CO.
of DALLAS, TEXAS

TOTAL ASSETS OVER	\$1,174,970.99
SURPLUS TO POLICYHOLDERS OVER	738,629.96

LOCAL AGENTS WANTED

243 SANSOME STREET
SAN FRANCISCO, CAL.

ANDERSON & EDWARDS, Managers

Department of the Interior

New publications include—

Technical Paper 43. The influence of inert gases on inflammable gaseous mixtures, by J. K. Clement. 1913. 24 pp., 1 pl., 8 figs.

The Bureau of Mines has copies for free distribution, but can not give more than one copy of the same bulletin to one person. Applications should be addressed to the Director of the Bureau of Mines, Washington, D. C.

Los Angeles, Sept. 21.—Woodill & H. Elec. Co.; basement and front floor of Gray bldg; automobile tire stock; tremendous outpouring of black smoke; damage \$20,000.

World's Insurance Congress

I would take this opportunity of drawing your attention to the proposed "World's Insurance Congress," to be held in connection with the Panama Pacific International Exposition at San Francisco in 1915. It is expected that this congress will be attended by representatives of nearly every country in which insurance is transacted; it will doubtless be the most comprehensive and instructive convention ever held in the interests of our business; its effect should be far-reaching, and its value incalculable. Our International Association has been asked, and will doubtless agree to co-operate in ensuring the success of the congress; and I pass to you, individually, an earnest invitation to do your utmost to support the movement, both by your own presence and by your active work on its behalf.—Charles H. Holland.

Agents Do Well who Represent the
SAN FRANCISCO LIFE INSURANCE COMPANY

**Experienced Life Insurance Men
 and Successful Business Men Direct its Affairs**

Business and Resources are Increasing. Interest Earnings are
 6.30 per cent. Low Mortality Experience Shows
 Good Class of Policyholders.

Home Office: 57 POST ST. San Francisco, Cal.

GERMANIA

FIRE INSURANCE COMPANY,
 NEW YORK.

—
ORGANIZED 1859.
 —

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

—
 HEAD OFFICE

Cor. William and Cedar Sts.

FIRE

Albuquerque, N. Mex.—D. C. Canfield, formerly manager of the Rocky Mountain F. U. A., and latterly a special for the National Union, has joined the Occidental Fire of this city.

Forbestown, Sept. 22.—Old California mining town; gale blowing; very

little water; hotel, church, store, post-office, lumber yard, 9 dwgs. and 3 barns.

LIFE

The St. Joseph Life is a new Show-me state company.

W. W. Old represents the California State for Arizona.

J. G. McDougall of Portland died on train for New York.

The new Empire Life of Canada will write under-average lives.

Overinsurance is a grave danger in life as well as fire insurance.

The heirs of Genl. Woodford, formerly minister at Madrid, were paid \$18,531 by the Mutual Life. On two policies for \$6,000 the dividend additions were \$6,531. The third policy was a non-partici-policy \$6,000. The first policy was taken out in 1857. The total return over cost was \$7,887.

The Bankers Guarantee & Casualty of Ohio has been absorbed by the Pioneer Life, which is under the management of Wilbur S. Tupper, formerly of the Pacific Mutual.

Toronto.—An inquiry into the management of the Union Life of this city has been ordered by the minister of finance. How were the resources of the company dissipated? What disposition was made of the \$600,000 capital and premiums contributed by British shareholders?

LIFE

The Germania Life's new policy forms are now in the hands of agents.

A statue to the memory of the late Senator Dryden, founder of the Prudential and of industrial insurance in the Western hemisphere, has been completed and will be erected in the home office building of the company at Newark, N. J.

The Atlas Life Assurance Co. is being organized in Montgomery, Ala., with a million capital and surplus.

LIABILITY

New York City.—Liability business now pays agents and special agents 15 percent and brokers 12½; on property damage and collisions, brokers 20 percent and agents and special agents 22½ percent. (This is much better than permitted rates in San Francisco and other branch and department cities.)

Albany, N. Y.—The formulation of a new liability claim reserve law, by the N. C. A. C. committee is now under way.

GOOD AGENTS WANTED

THE

West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, *President*
C. O. G. MILLER, *Vice-President*
JULIAN SONNTAG, *second Vice-President*
WILLIAM C. HAMMOND, *Secretary*

Health and Accident InsuranceKIMBALL C. ATWOOD, *President*WILFRID C. POTTER, *Secretary*

The
Preferred
Accident Insurance
Co.
OF NEW YORK.

Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

FIRE

Los Angeles authorities warn against water waste, the reservoirs having recently been lowered by many fire demands.

A burning load of hay ran away in Californiay, the other day, and two bridges were burned before rig and team were overturned on a dredger fill in Oroville.

FIRE	AUTOMOBILE
NIAGARA FIRE Insurance Company	
Assets, - \$6,981,389.16 Surplus to Policyholders, - \$3,664,392.31	
DETROIT FIRE & MARINE Insurance Company	
Assets, - \$2,194,259.14 Surplus to Policyholders, - \$1,549,532.75	
NIAGARA - DETROIT UNDERWRITERS	
Assets, - \$10,661,489.00 Surplus to Policyholders, - \$5,966,544.00	
EDWIN PARRISH, Manager	
<i>Pacific Coast Department 334 Pine St., - San Francisco</i>	

THE

Standard Accident

Insurance Company
Of Detroit, Mich.

LEM W. BOWEN, President J. S. HEATON, Secy.

Cash Capital, \$ 500,000

Gross Assets, - 4,377,439

Claims Paid, - 16,500,000

Writes Accident and Sickness Insurance, Accident Policies Provide for—Unlimited Indemnity, Beneficiary Benefits, Accumulations, Optional Benefits, Hospital Indemnity, Combination Features, Surgeons' Fees Where no Claim for Disability is Made, Special Benefits for Sunstroke, Freezing, Etc.

Accident and Sickness Insurance for Women.
Contracts Practically Without Conditions.

CLARENCE F. BRIGGS,
SUPT. PACIFIC COAST DEPARTMENT.

California, Oregon, Washington, Idaho, Nevada, Arizona, Utah, and the Hawaiian Islands.

Mills Bldg., San Francisco

H. H. HAIGHT, District Agent.

Contracts Unexcelled. Agents Everywhere.

MEN WHO CAN DO THE WORK

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

UNION MUTUAL LIFE Insurance Company

PORTLAND, MAINE.
FRED E. RICHARDS, President

Address ALBERT E. AWDE, Supt.,
 396 Congress St., Portland, Maine.

GEORGE E. HUNT, Manager
Shreve Bldg., San Francisco

T. H. McAllis, Manager, Sherlock Bldg. Portland, Ore.
P. B. Duren, Manager, Boston Block, Seattle, Wash.
The Western States Agency Co., Manager, 225 Foster Building, Denver, Col.
J. E. Evans, Manager, Vancouver, B. C.

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT :

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

FIRES

San Francisco, Sept. 6.—At 56 Alma st., sanitarium, explosion of bath-room gas-heater.

Hot Springs, Ark., Sept. 5. — More than 50 blocks destroyed, with a loss of \$4,000,000. Over 2,000 people homeless.

Truckee, Cal., Sept. 19. — Like old times again, fire, starting in a saloon, raged for two hours, devouring two big rooming houses and a brick bldg., and causing a loss of \$50,000.

University Fires.—On two succeeding days fires did damage to the Puget Sound University of Washington and the University of Oregon at Eugene.

San Francisco, Sept. 22.—Some ten automobiles burned at 665 Golden Gate ave., Eastern Auto Co., Eagle Taxicab Company suffered a heavy loss uninsured.

Willows, Cal., Sept. 13.—Brown & Doane Lumber yards and the G. R. Green planing mill; loss \$25,000, insurance \$17,000.

Merced, Cal., Aug. 28. — Clothing store of O. M. Oliver. A blind fire at 3 p. m. Firemen unable to locate blaze and therefore flooded the store with seven streams. Pressure strong. Goods washed from shelves, and show-cases broken. Cartons washed off, leaving contents exposed, and all during this water bombardment the fire was confined to the hat department. Fire originated in basement under adjoining corner building, probably in cigar store basement. Insurance \$13,000, stock value \$15,200; co-insurance clause; fire and smoke damage perhaps \$4,000 but water damage extraordinary; total damage \$8,200. J. P. Treanor handled this loss. Insured has an excellent reputation.

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912 \$280,438,555.87

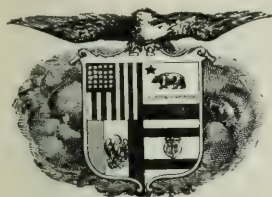
Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.

President, **JOHN M. TAYLOR**, Hartford, Ct.



Los Angeles Fire Insurance Company

Los Angeles, Cal.

Cash Capital, (Fully Paid), - - \$200,000.00

*Secure An Agency of This Home Company.
A Good Agency Company.*

San Francisco Office, 334 California Street

CALIFORNIA NATIONAL LIFE Insurance Company

Safe .. Sound .. Conservative

HOME OFFICE

Timken Building

SAN DIEGO, CALIF.

THE THIRD CLASS LOCAL AGENT

WHAT would you think of a local agent who never talked about insurance? about its cost, income and profits, its commissions, taxes and expenses? He wouldn't know much about the business, would he?

Now an insurance journal is but authoritative talk about insurance, backed by libel liability.

Any local agent who doesn't read about insurance in an insurance journal is a Third Class Local Agent.

He is not up to date in news, in principles, in practices, in court decisions, in knowledge of the condition and prospects of the insurers.

He is like a cheap skate of a lawyer who never reads a court decision, or a bum doctor who never reads a medical journal.

This 3rd rate local agent saves a cent a day but he may cost his patron 5,000 when a loss is settled—and thereby lose friendship and \$500 commissions.

CAPITAL. NET SURPLUS. YEAR ORGANIZED.	FINANCIAL CONDITION				INCOME		EXPENDITURES			RATIOS		PACIFIC DEPT.		
	GROSS FIRE ASSETS	LIABILI- TIES	SURPLUS AS TO POLICY- HOLDERS	REINSUR- ANCE RESERVE	NET PREMIUMS RECEIVED	TOTAL INCOME	TOTAL EXPEN- DITURES	LOSSES PAID	EX- PENSES	LOSSES TO PREMIUMS	EXP'S TO PREMIUMS	PREMI- UMS RECEIVED	LOSSES PAID	LOSS RATIO
1913	2,599,847	920,185	1,679,663	803,946	858,922	982,264	918,242	521,946	343,669	60.7	40.0	59,868	20,291	34.0
1912	2,687,927	1,078,542	1,509,385	988,112	1,204,642	1,319,966	990,730	480,371	458,187	40.3	37.2	...	...	...
1911	2,248,153	661,246	1,586,907	601,869	711,178	810,354	614,388	285,727	278,601	40.1	39.1	...	...	...
1913	2,413,247	1,312,687	1,100,361	1,102,260	1,148,549	1,525,452	1,100,932	589,816	499,439	51.3	43.4	15,124	68,564	45.3
1912	1,740,532	1,185,198	544,335	1,025,168	1,087,224	1,149,579	1,046,794	569,180	466,615	50.6	42.9	166,321	62,161	37.3
1911	1,644,639	1,114,330	530,309	932,786	993,333	1,038,113	962,730	487,606	436,072	49.1	44.0	142,040	41,091	31.0
1910	1,546,820	1,085,298	461,522	886,901	945,839	1,002,995	973,402	473,636	423,636	49.6	46.2	197,810	85,519	36.5
1909	1,487,620	1,026,542	461,079	867,561	943,103	1,003,739	963,937	515,036	425,036	44.2	45.2	70,490	30,637	43.2
1913	7,735,110	4,469,088	3,266,021	4,111,888	3,746,782	4,015,944	3,765,076	2,063,755	1,504,812	55.0	40.1	3,8327	210,256	42.1
1912	7,517,091	4,399,805	3,117,286	4,058,784	3,745,297	4,045,417	3,935,313	2,031,794	1,489,173	60.3	39.7	568,383	186,046	36.5
1911	7,478,417	4,428,384	3,050,063	4,019,297	3,784,838	4,062,852	3,935,468	1,842,697	1,507,584	48.2	39.8	476,544	183,290	40.5
1910	6,956,215	4,239,526	2,716,689	3,894,759	3,829,806	4,084,429	3,451,410	1,890,694	1,400,756	48.2	38.1	47,807	154,856	34.3
1909	6,365,877	3,903,138	2,462,739	3,597,499	3,673,189	3,911,342	3,326,698	1,896,713	1,414,468	53.1	38.4	484,169	177,463	41.8
1913	27,070,031	10,580,040	16,489,991	9,022,218	8,115,909	9,991,719	8,554,192	3,910,649	3,131,597	48.1	38.5	796,851	276,365	32.7
1912	25,576,579	9,576,747	15,999,832	8,527,785	7,774,769	9,128,853	8,237,845	3,829,671	3,085,206	49.1	39.4	752,245	252,238	33.5
1911	24,198,638	9,134,437	15,063,601	7,917,552	7,308,413	8,301,391	7,570,730	2,800,182	2,401,421	42.1	38.3	715,196	300,685	42.0
1910	22,392,787	8,287,968	14,044,879	7,436,028	6,668,803	8,882,822	6,135,366	2,501,109	2,501,109	44.5	37.5	686,343	238,690	34.8
1909	19,172,351	7,998,723	11,174,227	7,221,417	6,920,799	8,236,225	7,350,915	3,263,192	2,624,190	49.1	40.2	648,396	247,189	38.1
1913	1,213,104	566,434	646,670	524,023	381,030	433,888	416,322	195,571	177,737	51.3	49.2	...	...	...
1912	1,205,019	683,298	521,722	528,846	399,142	469,946	430,688	204,340	183,131	51.2	46.0	...	...	...
1911	1,184,454	564,183	620,271	516,774	392,453	445,310	426,088	201,634	179,157	51.2	45.6	...	...	...
1913	5,363,271	3,647,356	1,711,916	3,208,913	3,361,540	3,609,004	2,827,555	1,557,892	1,148,688	46.3	34.1	3,940	...	...
Delaware Underwriters N. Y. Capital \$ 300,000 Net Surplus 1,415,916														

Sample Page *Pacific Fire Chart 1913* Did Your Company Send You a Copy? If not send us
 1 cent stamp When I Will B Sent. Ten or More Companies Will Retire By Fire
 This Year. Their Names Are in This Chart.

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
OCCIDENTAL LIFE INSURANCE CO.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG. LOS ANGELES, CAL.



NEW YORK UNDERWRITERS AGENCY

Cash Assets January 1, 1913,	- - - -	\$26,492,318.21
Net Surplus January 1, 1913,	- - - -	8,513,692.22
Surplus to Policyholders January 1, 1913,	- - - -	10,513,692.22
Losses Paid, Over	- - - -	158,607,806.03

H. R. MANN, Manager

F. M. BRANCH, H. R. MANN Jr., Assistant Managers

Pacific Department: 339-341 Sansome St., San Francisco

SPECIAL AGENTS AND ADJUSTERS:—V. H. QUITZOW, A. C. ANDERSON, SAN FRANCISCO, CAL.; A. E. BAILEY, SEATTLE, WASH.; H. HARRY SMITH, LOS ANGELES, CAL.; H. B. HAGEN, SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO. OF TORONTO (INCORPORATED 1833)

United States Assets	\$1,746,624.71
Liabilities in United States	1,045,080.89

Surplus \$701,543.82

PACIFIC COAST DEPARTMENT
129 Leidesdorff Street, - San Francisco
W. L. W. MILLER, Manager

LIFE

The new business of the Home Life of New York has gained.

The Germania Life's new business has gained remarkably this year.

The National Life of Vermont reports some new business gain.

A good gain in new business is reported by the Fidelity Mutual.

The Connecticut Mutual Life has gained in new business this year.

Did you send a Calif Cup prize essay without signing your name? Someone did.

American Central INSURANCE COMPANY
of St. Louis Established 1853
Assets, \$5,549,279 Surplus to Policyholders, \$2,410,275 Losses Paid, \$26,531,745

St. Paul F. & M. INSURANCE COMPANY
of St. Paul, Minn. Established 1865
Assets, \$8,785,319 Surplus to Policyholders, \$3,351,370 Losses Paid, \$44,006,102

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS of St. Louis
Assets, \$5,549,279
Surplus to Policyholders, 2,410,275

Minnesota UNDERWRITERS of St. Paul
Assets, \$8,785,319
Surplus to Policyholders, 3,351,370

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817

Of PHILADELPHIA

Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital, -	\$ 750,000.00	Cash Assets, -	\$9,091,141.00
Net Surplus, -	2,590,263.00	Policyholders Surplus,	3,340,263.00

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets, -	\$26,907,330.00	Surplus to Policyholders,	\$12,185,135.00
Net Losses Paid in San Francisco in 1906,	-	-	\$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada

Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles
315 California Street, - - - San Francisco

American Life Convention

A good program and a large attendance made a success of the annual meeting in August, in St. Paul. A hundred of the younger companies are members. The addresses were able and helpful. The stimulating Dr. Fricke was there. He urged the use of "overpayments" instead of "dividends?"

Boatman: "Accidents? You may well ask that question. Why, only last

week there was a gent a-sittin' in this very boat, just as it might be yourself—the water as calm as a mill-pond, and a puff of wind—boat gave a lurch—"

Nervous Party: "Dear me!"

Boatman: "And a gallon of best Irish whisky rolled overboard, lost for evermore."—Tit-Bits.

No Sales.—Western States Life stock \$9 bid. Pac. Coast Casualty, \$125 offered.

Insurance solicitors are dangerous people. One in Illinois killed a doctor who let the patient, his mother, die.

Colorado's ins. dept. sounds a warning against the Postal Life, which is doing an illegal business in that state.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES, \$2,826,707.00

Office : 430 California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

Statements showing the standing of the

CALEDONIAN	INSURANCE COMPANY	Of Edinburgh
The oldest Scottish Fire Office		(Organized 1805)
Capital	\$5,078,365 32	Assets, \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN	INSURANCE COMPANY	Of New York
Capital . . . \$200,000 00	Cash Assets . . . \$253,114 00	Surplus to Policyholders . . . \$238,104 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,405 19
------------------	-----------------	-----------------------	----------------

Pacific Department Office: 430 California Street, San Francisco.

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	- - -	\$ 250,000 00
Cash Assets (Gold)	- - -	2,096,766 26
Net Surplus over Capital (Gold)		1,357,229 46
On deposit in the United States, (registered U. S. bonds)	-	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents
Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco

[Babcock Building]

PHOENIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building
(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employes. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.
Royal Insurance Building

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

POLICY
PROVIDING
PERFECT
ROTECTION

HOME OFFICE
SEATTLE
U. S. A.

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.
\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over **\$500,000.00**

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets	\$2,464,562.05
Liabilities in United States	1,446,243.42
<i>Surplus</i>	\$1,018,318.63

PACIFIC COAST DEPARTMENT
129 LEIDESDORFF STREET - - - SAN FRANCISCO
W. L. W. MILLER, Manager.

Total Assets Represented over \$20,000,000

Svea

Insurance Company
of Gothenburg

Agricultural

Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire

Insurance Company
of New York

Hamilton Fire

Insurance Company
of New York

Globe Underwriters

of New York

EDWARD BROWN & SONS

General Agents Pacific Coast Departmen
202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

ONE HUNDRED AND FOUR YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH
(which are but a small part of total fire assets of the Co.) \$9,139,794.00

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

Resident Secretary, Local Dept.
234 Pine Street, San Francisco, California

Field Representatives

- E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON OREGON, MONTANA.
- P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN WASHINGTON, IDAHO, MONTANA.
- E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH WYOMING.
- CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA, and ARIZONA.
- G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.
- F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.
- H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.
- C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, SAN FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$— in premiums." "My business is chiefly —." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824,

North American Branch:

Hartford, Conn.

**JAMES H. BREWSTER
MANAGER.**

FIELD REPRESENTATIVES:

- FRED W. GASTON, Tacoma, Wash., Oregon, Washington, British Columbia.
- JOHN M. HOPKINS, State Agent,
- JOHN L. REAMS, Special Agent, 706 Gas and Electric Bldg., Denver, Colo., Colorado, Wyoming, New Mexico, Utah,
- H. C. EDMUNDSON, Realty Building, Spokane, Wash., Montana and Idaho
- H. W. FORES, San Francisco, Cal., General Agent, California, Nevada, Arizona.

**SAN FRANCISCO OFFICE:
409 California Street**

The Northern Assurance Company Limited

OF LONDON

Established 1836

Accumulated Funds, \$39,436,873.00

Invested in the United States, 5,292,022.00

FRED C. H. ROBINS, Manager Metropolitan District

330 California Street, - - - - - San Francisco

(For San Francisco and Bay Counties)

PACIFIC COAST DEPARTMENT:

PACIFIC COAST SPECIAL AGENTS:

CHICAGO, ILLINOIS,

D. R. ATKINSON, Portland, Or.

G. H. LERMIT, *Manager*

LOWREY C. HOLLOWAY, San Francisco, Cal.

GEO. F. GUERRAZ, Seattle, Wash.

J. C. CORBET, *Ass't Manager*

G. MUELLER, Los Angeles, Cal.

E. C. FOTHERINGHAM, Butte, Mont.

Pacific Surety Company

OF SAN FRANCISCO, CALIFORNIA

*Accident and Health
Plate Glass*

*Employers' Liability
Workmen's Compensation*

INSURANCE THAT INSURES

C. H. CRAWFORD,
PRESIDENT

ESTABLISHED
1885

The London Assurance Corporation

OF LONDON

Cash Assets, \$24,899,825.00

The London Underwriters

SPECIAL AGENTS—C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
T. S. HEATH, Denver; J. E. JOHNSEN, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco;
PERCY J. PERRY, Seattle.

A. W. THORNTON, *Manager*

J. M. MENDELL, *Assistant Manager*

G. E. GOGGIN, *City Manager*

WM. HACKETT, *Supt. of Agents*

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

“The great men are all dead,” she said, with evident regret. “But the beautiful women are not,” he replied, looking earnestly at her. “Of course,” she added, after a moment’s reflection, “I always except present company,”

“So do I,” he said. Then she asked if he would be good enough to conduct her to her husband.—Ex.

In Japan large industrial risks are written as low as 10 cts. per \$100. There are no tariff or board rates.

HOME LIFE INSURANCE COMPANY
OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—“The Come'l & Fin'cl Chron.” 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,

256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department, 123 William St., New York, N. Y.

Liability

Workmen's Collective

Workmen's Compensation

Burglary

Personal Accident and Health

Industrial Accident and Health

Agents Wanted For Unoccupied Territory

Apply to New York office or to

WALTER A. CHOWEN,

Pacific Coast General Agent

340 Sansome Street San Francisco

AGENTS WANTED

To Solicit Subscriptions for The Coast Review, now in its 42d year. Good commissions. Sample Copies sent in advance. Will pay well any active man. Special offerings. Write Publisher for further particulars.

National Union
Fire Insurance Company

of Pittsburg, Pa.

Cash Capital, - - - - -	\$1,000,000.00
Surplus to Policyholders, - - - - -	1,545,227.00
Assets, - - - - -	4,136,638.00

METROPOLITAN DEPARTMENT
SAN FRANCISCO

604 Merchants Exchange Building

DIXWELL DAVENPORT,

E. C. DIETZ,

MANAGER

ASS'T MANAGER

FIELD REPRESENTATIVES:

R. R. Roper, NORTHERN CALIFORNIA

604 Merchants Exchange Bldg, San Francisco

Wm. M. Stodghill, SOUTHERN CALIFORNIA

302 Stimson Building, Los Angeles, Cal.

FIRE

It is certain that several fire companies had little or no net surplus on July 1. Will they have any on January 1? Depends on the stock market. Some of the companies have had heavy fire losses.

Shingle roofs spread the Hot Springs blaze with paralyzing speed according to Manager Speed.

The California's Chicago premiums increased from \$36,228 to \$54,362.

A Kentuckian has just been sentenced to life imprisonment for arson.

Rubber market is said to be unusually easy. Split skirts?

FIRES

San Jose, Cal., Sept. 1.—Four dwgs. burned.
 San Francisco, Sept. 1.—At 314 First

street, Houghy sawworks. Cause, explosion of gasoline.

California's \$20,000,000 leads in gold production.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY
 Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General Manager

Union Assurance Society, Ltd.

1714

OF LONDON

1913

Assets, \$6,000,000.00

CATTON, BELL & CO., General Agents

R. C. MEDCRAFT,
 Manager

JOHN E. COSGROVE,
 Ass't Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—WM. M. PATTERSON, Portland
 F. F. RICHARDS, Los Angeles

I. M. FISHER, Jr., Spokane
 F. A. STAHL, Sacramento

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets, - \$995,596

Capital, - \$300,000

Surplus, - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

332 Pine Street,

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

A Kentucky court has ruled that a mule is a common carrier. It certainly is, in the mountain districts. The defendant casualty company must pay.

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY - THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

Alaska Commercial Building - - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by the State of Massachusetts

Incorporated 1849

Total Assets	\$ 10,407,847 65
Total Liabilities	7,537,140 04
Net Surplus	2,870,707 61

SURPLUS TO POLICYHOLDERS, \$4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by the State of New Jersey

Incorporated 1811

Total Assets	\$ 1,870,656 00
Total Liabilities	1,010,774 70
Net Surplus	859,881 30

SURPLUS TO POLICYHOLDERS, \$1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

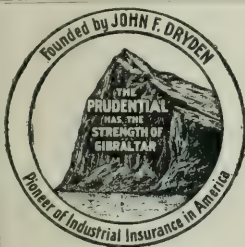
SEMI-ANNUAL STATEMENT, JUNE 30, 1913

Assets	\$10,824,349 81
Liabilities	7,903,328 86
Capital	1,000,000 00
Surplus over all liabilities	1,921,020 95
Losses Paid to June 30, 1913	42,907,985 38

This company issues contracts as follows :

Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance; Liability Insurance; Employers, Public, Teams (Personal Injury and Property Damage); Automobile (Personal Injury, Property Damage and Collision); Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation; Steam-Boiler Insurance; Fly-Wheel Insurance.

Pacific Coast Department: { California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange;
 San Francisco. Washington and Oregon—SEELEY & CO., 111 S. 10th
 St., Tacoma; Coleman Bldg., Seattle; Board of Trade Bldg., Portland.



Write The Prudential.

A few minutes of your time will secure full information about a good agency proposition.

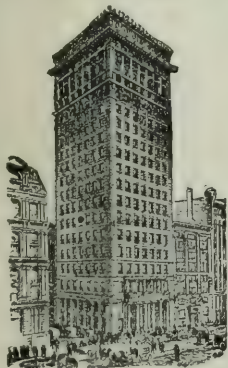
Write to-day.

THE PRUDENTIAL INSURANCE CO. OF AMERICA

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



Prevent Losses through dishonesty. Our special short form Insurance

Bond guarantees absolute protection.

American Surety Company OF NEW YORK

The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.
 JAMES K. LYNCH, RESIDENT VICE-PRES.
 CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

Brewster Cameron, Jr., Acting Mgr. for Northern California and Nevada
 Merchants National Bank Bldg. San Francisco. Telephone Kearny 1099

The Security Life of America, of by no means first class reputation, has reduced its capital stock from \$500,000 to \$230,000.

Anybody is good enough to be president of the American Association of Accident Underwriters.

Colorado's still second in gold yield.

MISCELLANEOUS MATTERS

Accident Men Meet

The recent annual meeting of the American Association was a success. The old officers were re-elected. President Boyer made a plea for insurance education. D. M. Baker (of the Pacific Mutual) advocated payment of indemnity while the insured is totally or partly disabled by illness or injury, without deduction for the first seven days of illness. The sixty days before illness insurance becomes effective should be fifteen. The clause limiting indemnity for chronic diseases to only four weeks should be eliminated. Judge Cleland urged the keeping of insurance companies out of court, where policyholding jurors will bring verdicts which strengthen their own policies. W. T. Grant spoke of policy frills as twisting devices which caused much misrepresentation.

U. S. Geological Survey Maps

The topographic branch makes maps showing the surface of the earth, with its streams, rivers, lakes, roads, houses, towns—maps that are being used by the geologists as base maps, by engineers to locate railroads, roads, canals, sewers or drainage ditches, water power and irrigation projects, by automobilists and trampers as road maps, and for a hundred other purposes. The demand for these maps may be judged from that most of the Eastern states have appropriated or are appropriating money to help pay for them, the states paying one-half or more of the cost, and by the further fact that, though the maps are sold, over half a million of them are distributed each year.

Industrial accidents in Washington are increasing fast.

Examining Its Claim Payments

The Denver office of the Continental Casualty Co. is to be investigated by several state insurance departments. The way accident claims have been paid or compromised will receive special attention. The company has already been criticised in this respect.

Insurance Benefits Abnormal

The Bolton Union of Odd Fellows in England is insolvent in its insurance affairs to the amount of 15s. in the pound. The trouble is attributed to the new British insurance act.

Spinal and brain injuries caused by accidents may not reveal their very serious effects for many months. The cause of this delay has not been explained. Claimants' lawyers and doctors therefore urge large damage claims and prolonged litigation. The wise insurer therefore adjusts and settles damage claims as soon as possible. Delay damages the insurer but often favors the insured.

The Fidelity Union Surety has reinsured in the Western Indemnity and will go out of business.

And now the casualty companies threaten to withdraw from Missouri because its law makes suicide an accident.

Business failures continue to increase.

If you don't receive your copy of the Coast Review during the month, post-card us.

The Western Indemnity of Dallas, Tex., has been licensed.

There are 50,000 cases of pellagra in this country.

In California there are over 1,000 cases of hookworm.

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

The first office to commence paying losses after the conflagration.

The first office to commence paying in full the face of the policies, without discount, for cash or exchange.

The only general agency that remained in San Francisco where its patrons suffered.

The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.

The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

**Get the Best Insurance While You Are About It
It Costs No More**

January 1, 1913

OLD AND
TRIED

GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,312,945 00
UNDIVIDED PROFITS	2,486,705 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,848,154 00
UNDIVIDED PROFITS	896,217 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,492,354 00
UNDIVIDED PROFITS	439,752 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal.

Fire Automobile Marine

COMMERCIAL UNION

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$ 14,750,000
Paid-Up Capital	1,475,000
Total Cash Assets, Gold	56,579,048
Total Liabilities, including re-insurance reserve	46,019,127
Cash Surplus to Policyholders	10,559,921
Total Amount of Claims Paid	175,573,348

Assets in United States Held by Trustees, \$7,643,751

ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE

Security Building, 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

FROM COAST REVIEW EXTRA

California Bank Clearings Decline

August bank clearings in all the principal cities, Fresno and Sacramento excepted, are less than for August last year. San Francisco \$207,500,587 against \$226,198,027; Los Angeles \$86,772,660 against \$94,218,629; Oakland \$14,622,544 against \$17,124,715.

The Globe Indemnity takes over as supt. of the liability department W. J. McCaffrey, general manager for some years of the New Amsterdam. He was formerly with the Fidelity & Casualty and has therefore had the training that makes for success.

In New Orleans the liquidating Teutonia is being sued for \$2,500 sale commission, by a former employee who negotiated with the Hartford Fire for the purchase of the company for \$115,000.

Federal Bonds Authorized

The national government accepts surety bonds to the extent of 10 per cent. of capital and surplus. Here are some of the limits accepted, indicating one-tenth of present policyholders' surplus:

American Bonding	\$103,549
American Surety	611,154
Equitable Surety	96,130
Fidelity & Casualty	289,229
Globe Indemnity	125,673
Maryland	181,179
Massachusetts	119,926
National Surety	333,548
Pacific Coast Casualty	43,871
Royal Indemnity	137,443
Southern Surety	78,023
Southwestern Surety	68,298
Title Guaranty & S.	123,410

Marine. — Eleven Japanese marine companies compete at home with eleven foreign companies, and do business at an expense ratio of about 13 percent.

STABILITY AND STRENGTH

RESOURCES OVER \$52,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

PACIFIC DEPARTMENT

WILLARD O. WAYMAN---CARL A. HENRY
JOINT GENERAL AGENTS

FRANK E. STONE MAXWELL H. THOMSON
ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets
San Francisco, Calif.

Branch Offices: Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00 Assets, \$9,268,924.08

WILLIAM J. DUTTON

PRESIDENT

BERNARD FAYMONVILLE

VICE-PRESIDENT

LOUIS WEINMANN

SECRETARY

A. W. FOLLANSBEE, Jr.

MARINE SECRETARY

J. B. LEVISON

SECOND VICE-PRESIDENT

H. P. BLANCHARD

ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

T. M. GARDINER

TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 85
NO. 4

OCTOBER

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast INSURANCE Review

PROTECTION

An Insurance Journal and Directory
IN ITS FORTY-THIRD YEAR

San Francisco: Merchants Exchange Building

The Only INSURANCE Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

Dixwell Hewitt Appointed Sole General Agent of Hartford Fire
Phoenix and Connecticut Merger Is Ratified
California Revised Life Figures
Great Drop in Surplus of a Baltimore Surety Company
The Law Brothers Versus Northern Assurance: a 1906 Claim
List of Underwriting Agencies
California Ins. Co. is Purchased
London & Lancashire's New Appointments
Home Reinsures the Los Angeles Fire
The Expected Failure of the Pacific Coast Interinsurers
Much Twisting of Life Policies in California
Mutual Fire Insurance
Coast Fire Business Totals
German American Reinsures Two Companies
Commissioner Done's Bulletin to Life Men
Westchester Agency Change
The Mutual Life Has Paid a Half Billion Dollars Death Claims
The Preferred Accident Was First

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World

Gross Assets
\$62,500,000.00

Assets in U. S.
\$13,739,218.97

LIVERPOOL & LONDON & GLOBE INSURANCE CO., LTD.

NEW YORK OFFICE, 80 WILLIAM STREET.
H. W. EATON, Manager
C. W. HOYT, Deputy Manager
J. B. KREMER, Ass't Deputy Manager
T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

NEW ORLEANS OFFICE, COR. CARondeLET & COMMON STS.
CLARENCE F. LOW, Manager
J. G. PEPPER, Ass't Mgr
THOS. H. ANDERSON, Deputy Ass't Mgr

LOUISIANA, MISSISSIPPI, ALABAMA, OKLAHOMA, FLORIDA, ARKANSAS, TEXAS, GEORGIA.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.
JOHN W. GUNN, Manager
R. P. FABJ, Ass't Manager

CALIFORNIA, NEVADA, ALASKA, WASHINGTON, ARIZONA, IDAHO.

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO.

CHICAGO OFFICE, INSURANCE EXCHANGE.
W. S. WARREN, Manager.
GEO. H. MOORE, Assistant Manager
HUGH R. LOUDON, Deputy Ass't Mgr

ESTABLISHED 1836 **ENTERED U. S. 1841**

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05
Surplus	\$ 4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144.

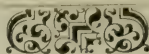
LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852
In Company's New Building
444 California St., San Francisco

JOHN W. GUNN, Manager
R. P. FABJ, Assistant Manager

Special Agents:

R. G. BRUSH W. H. RAYMOND R. H. ROUNTREE CHESTER S. MYRICK HARRISON HOUSEWORTH F. E. ATKINS D. B. EDWARDS GEO. J. JAMES



Conflagration-Proof Insurance



Losses paid to date, - - - over \$164,000,000

PACIFIC DEPARTMENT

GERMAN AMERICAN PHOENIX OF HARTFORD

GERMAN ALLIANCE PROTECTOR UNDERWRITERS



EQUITABLE FIRE & MARINE INSURANCE CO.

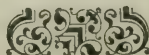
GEO. H. TYSON GENERAL AGENT.
HERBERT FOLGER, ASST. GENL. AGENT

SAN FRANCISCO.

Losses paid in San Francisco, - - - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



YOUR CARD

as a representative of the "Oldest Life Insurance Company in America" will prove your best introduction

The Mutual Life Insurance Company of New York

Impregnable Strength

Incomparable Dividends

Maximum Benefits

Minimum Net Cost

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

LIFE

Recent Death Claims Paid by the Mutual Life of New York

San Francisco—H. L. E. Meyer,	\$100,000
“ August N. Buchanan,	23,200
Los Angeles—Theo. R. Fuller,	5,086
Bakersfield, Cal.—Paul W. Bennet,	5,281
Oakland, Cal.—John C. Ryan,	4,050
Santa Clara, Cal.—M. C. Jordan,	5,000
Redding, Cal.—Leslie M. Dennis,	5,000
Sacramento, Cal.—Wm. Geary,	5,000
Seattle, Wash.—Geo. W. Cline,	4,000
“ Fred A. McDonald,	5,000
Milwaukee, Wis.—T. J. Pereles,	81,184

Altogether, for the five weeks ending August 23 the Mutual Life paid 551 death claims for \$1,989,679. Death claims paid to date exceed 502 million dollars.

What do you think would be the result as to the increase in the sale of life insurance if the right kind of a humanized advertising and educational selling

campaign was to be carried on for a few years? A man would be ashamed to admit to his neighbor that he did not carry sufficient life insurance to properly protect his family. — N. A. Hawkins, Autocarman.

To overcome competition, decline it as duelling. Avoid comparatives and superlatives, because insurance is not a question of better and best but good. Surprise by being different, generous; praise disarms like Æsop's south wind. Knowing there is no best company or policy, say so. Show not how other companies are bad and yours superior, but that to insure is wise, all companies sound, yours and its policy so desirable that further search is wasted. More is satiety. To any man sick of statistics and scandal-mongers, it is refreshing to hear a big theme treated broadly.—Geo. W. Johnston.

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00

Net Surplus, 295,338 00

Total Assets, 1,278,845 00

OFFICERS

W. E. DEAN, President
GEO. W. BROOKS, Secretary

E. W. MCCARTHY, Vice-President
GEO. L. PAYNE, Treasurer

**HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.**

Special Agents and Adjusters

J. W. WARNER, San Francisco

A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

**Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
and at the rate of "Dollar for Dollar."**

Western Department, Chicago, HENRY J. WOESSNER, Gen'l Agt.

Eastern Department, Philadelphia, FRANK C. STURTEVANT, Manager.

Middle East Department, Pittsburg, LOGUE BROS. & CO., Gen'l Agts.



LTD.

OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

Pacific Department, - 332 Pine Street

SAN FRANCISCO, CAL.

SAM B. STOY, Manager

THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM

AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES

Pacific Coast Casualty Co.

Of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00
Assets, : : 1,231,513 10

T. L. MILLER President
 CARL G. BROWN Vice-President
 H. A. BAUER Secretary
 C. P. JONES Asst. Secy.

DIRECTORS.

Henry E. Bothin	E. F. Green
Edward L. Brayton	Carl G. Brown
Marshal A. Frank	J. H. Bennett
Allen J. Kittle	Geo. W. Turner
F. P. Deering	H. W. Goodall
W. P. Johnson	

**Head Office: Merchants Exchange Bldg.
 San Francisco**

FROM COAST REVIEW EXTRAS
United States Fidelity & Guaranty Co.
Examined and Found a Decrease of
\$645,000 in Surplus

The New York and Maryland state insurance departments recently examined the internal affairs of this Baltimore company and found \$520,304 net surplus. This is a gross decrease of \$839,362 or \$645,073 net decrease under the surplus figures reported by the company. Nearly all this reduction of surplus is in losses and claims.

American Fidelity of Montpelier Impaired

The Coast Review was the first to call attention to the break-neck methods of this Vermont company and its loss of capital.

The stockholders are now informed that the company is impaired \$50,000. It wrote liability business at cut rates. The capital will be reduced \$250,000.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-three Years for

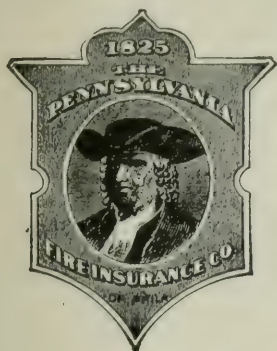
Low Rate of Mortality
Economy of Management
Prompt Payment of Claims

GROSS ASSETS, OVER - - - \$19,500,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W Hellman Building) LOS ANGELES, Cal.



The Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

**SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop**

LIFE

I expect some day to see some life insurance company do for the average man what the Ford Motor Co. has done for the average man—provide the thing best suited to his requirements at the least possible outlay, or at a cost that represents neither hardship nor extravagance. This, I take it, would be a yearly renewable term policy, without re-examination, procurable for the lowest possible premium, and which could be continued or terminated according to the circumstances of the policyholder. I know the average agent would not be wildly enthusiastic over this form of policy, as it would yield but modest premiums, but I think I could retire to a quiet corner with him and convince him that there are certain compensations, in the way of increased demand and widened public service, for putting out a good and desirable thing at a moderate cost. — N. A. Hawkins.

The Metropolitan Life Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

SAN FRANCISCO

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company his leader. That company is certain to be the Continental = = = = =

HENRY EVANS, President

Pacific Coast Representatives:

A. G. NASON & CO., San Francisco

W. A. WILLIAMS, Portland

F. P. WILSON, San Francisco

G. L. A. LAUER, Seattle

G. L. McINTIRE, Los Angeles

J. A. CARLSON, Spokane, Wash.

J. C. WICKLER, Sacramento

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON

Funds Exceed - - \$ 47,897,465

Annual Income Exceeds 6,500,000

Claims Paid Over - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON - Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BRODENSTEIN - California, Nevada, Colorado and Utah.

APPLICATIONS FOR AGENCIES INVITED



FOUNDED 1806

☐ THE COAST REVIEW ☐

1871—1913

INSURANCE

SAN FRANCISCO

Sample copies sent to anybody and any address except in San Francisco.

Did you get your September C. R. ? No ? Notify us.

Young beginners in small towns can get this journal free. Particulars penciled by our peculiar publisher.

If you object to our "Looking Backward" items send us some "Looking Forward" items.

Our September book contained NINE PAGES of insurance legal matter. We are up with the courts. This month's legal department shows the effects of the judges' vacation.

Send us 2 cents for some articles on mutual fire insurance.

The publisher does not believe in free advertising.

While our legal digest is small this time, we present an old decision of interest to brokers, in the regular reading pages.

Population of the United Kingdom is increasing at the rate of 500,000 a year, of Germany, 900,000, of the United States, 2,000,000, making present population over 98,000,000.

The more "fire prevention days" there are, the higher the fire loss, it seems. Have you noticed it? As long as we build of wood we shall burn wood!

Free

We all like sheep—we all like sheep, etc. The new tariff admits sheep and wool free. What will be the effect in California on the sheep and wool industries and the price of lamb chops?

Ohio Fire Losses Heavy

The Ohio fire marshal's records show \$5,500,000 fire losses in his state in the first eight months of this year. Of these losses the preventable were certainly \$2,750,000.

The marshal recommends householders on "fire prevention day" to make a personal inspection of their premises.

See if the mortar in the upper parts of the chimney is loose or decayed.

Do not let hot or cold ashes come in contact with wood.

Remove all rubbish.

Examine the wiring.

Look at your gas connections. Remove the rubber hose.

See that stove pipes do not come near wood.

Fire companies generally report less net surplus for July 1 than for January 1. This is generally because of the decline in the values of bonds and stocks, and occasionally because of a large increase in new business and the reinsurance reserve.

The New York Life will hereafter lend money to policyholders without taking their policy away from them.

The population of the United States is exceeded only by Russia's and China's and Hindustan's.

A small British fidelity office, according to Post Magazine, is now writing fire insurance with a bonus. Buildings and contents not rateable above 3 shillings percent are all eligible for a free renewal for twelve months after the sixth annual premium has been paid without any claim having arisen.

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Cash Assets Now
\$23,051,531.36

Net Surplus
\$8,238,392.50
Surplus as to
Policyholders
\$13,238,392.50

Losses Paid
in
94 Years
\$132,981,553.48



All Losses Paid in Cash Without Discount Immediately Upon Adjustment

W. H. BREEDING, General Agent

E. S. LIVINGSTON, Asst. General Agent

**Main Office, 301 California Street
SAN FRANCISCO**

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, General Adjuster

G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR, FRED H. ROADS

This Company has absolutely no connection with any other corporation bearing the name of Aetna.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21

Surplus to Policyholders, 10,513,692 22

Losses Paid, Over . . . 158,607,806 00

DIXWELL HEWITT, General Agent

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

J. J. DENNIS

C. E. MILLER

GEO. E. DEVINE

P. H. GRIFFITH

M. E. SPAULDING

R. E. DOLLARD

WILLIAM S. DENNIS

J. HENRY WOLBOLD

L. H. EARLE

NEIL STEWART

October, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 43d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 85

San Francisco, California, U. S. A.

Number Four

Entered at San Francisco Postoffice as second-class mail matter

Insure before too late, and with a policy challenge fate, for fate thus defied is fate e'er allied.

‡‡

The man always in—Dornin.

‡‡

A man sure to win—Goodwin.

‡‡

A man with a wit—Hewitt.

‡‡

A man with a wit—Lermit.

‡‡

Still, we ne'er will, while we hold the fort, suppress a decision of the court.

‡‡

San Diego should send Seattle suggestions.

‡‡

We are now become a nation of liars. The income tax is here.

‡‡

If near half wise new companies now will advertise.

‡‡

Politicians are itching for the job of the special agent and the rate-maker and the adjuster.

‡‡

Still, as we said before, if there were no overinsurance there would be no underwriting profit.

‡‡

All men are liars, said the Psalmist. Remember this when you buy—even insurance.

A sucker is born every minute, said a distinguished American. Remember this when you sell—even insurance.

‡‡

A toast is preferable to a roast.

‡‡

Every kind of insurance needs the get-together kind of spirit without any bitters.

‡‡

November and December should be light on fire losses on this Coast.

‡‡

Why not fire-proof steamships?

‡‡

The handwriting is on the wall. The word "permanent" is not there.

‡‡

We have a roomful of rumors but the door is locked.

‡‡

Several San Francisco fire insurance men fell to a faker with a German accent and an English name.

‡‡

In San Francisco there is a famous marksman, holding many medals won in shooting contests. Up at John Day's place in Potter Valley this perfect shot was taken up in the hills and tempted with a deer. He fired at it twice at 150 yards—and missed. Then he said "I've lost no deer and don't like venison anyway."

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

Fire Insurance in Court

Massachusetts—Hanley et al. v. *Etna Ins. Co.* 102 N. E. 641

Proceedings Before Referees

In an action upon an award of referees appointed under the provisions of a fire insurance policy, defended on the ground that evidence which the company had a right to introduce before the referees was improperly excluded by them, the burden is upon it to show that such evidence was material, and that its exclusion prejudiced the company.

Adjustment of Loss—Proceedings on Appraisal—Hearing of Evidence

The provisions of the Massachusetts standard form of fire policy, which requires submission of controversies as to the amount of loss to three referees, when construed in the light of the purposes and history of the act, and the decisions of the courts thereunder, does not require the referees to receive evidence upon the amount of loss, but they may determine it in any way which, in the exercise of an honest discretion, they think wise.

In construing such a provision, it is immaterial whether the persons who fix the amount of loss are called referees or appraisers, and whether their decision is called an award or an appraisal.

Discretion of Referees

Where a building is wholly destroyed, it would ordinarily be a wise exercise of discretion, for the referees appointed to ascertain the amount of the loss, to determine it in the usual way in which civil cases are tried by referees.

Judgment—Invalid Award of Referees

In an action upon an award of referees appointed to appraise a fire loss, a report by the superior court which states that if the award was invalid, judgment was to be rendered for the insurance company is not to be approved, where the time has expired

within which, under the terms of the policy, the insured could institute another action.

Fire Legal Brevities

Where a policy provides that no suit shall be brought thereon after 12 months from the fire, an action after that time is barred, though purporting to be a renewal of a prior action in another court, which was dismissed and renewed after payment of all costs within 6 months from the dismissal.—*Gross v. Globe & Rutgers Fire Ins. Co.*, 79 S. E. 138.

Where an insurance adjuster, after being informed that there was a chattel mortgage on the property, completed the adjustment, and deducted the amount of the mortgage and made indorsements on the policy to such effect, the insurance company was estopped to claim that the mortgaging of the property in violation of a provision of the policy forfeited the insurance.—*Western Reciprocal Underwriters' Exchange v. Coon*, 134 P. 22.

§ 621 (Okl.) Where an action was brought on an insurance policy before the expiration of 60 days allowed by the policy after proof of loss, but plaintiff thereafter amended his petition, showing the presentation of proof of loss, and that the 60 days had elapsed, and where the insurer then answered, denying liability, held that the action was maintainable on the amended petition, as against an objection that it was prematurely brought.—*Id.*

Accident Legal Brevities

Where, in an action on an accident policy there was evidence that plaintiff was sick and nervous after the death of her husband, the insured, the question whether a notice not given by her for 18 days after the death was given "as soon as may be possible," as required by the policy, was for the jury.

Under an accident policy, providing that notice of insured's death must be given to the insurer "as soon as may be reasonably

possible," but not providing for forfeiture of the policy for failure to give such notice, failure to give the notice for 18 days will not, as a matter of law, forfeit the policy.—78 S. E. 1079.

Life Legal Brevities

Where a paid-up policy was pledged with the insurer for a loan under an agreement that it could be canceled for \$500 less than its true value, the amount exacted was a penalty, making the agreement void, and an attempted forfeiture of the policy by the insurer for non-payment of the loan was ineffective.

That the present value of a paid-up insurance policy was uncertain, and could not be ascertained without difficulty, could not prevent the courts from determining such value in an action for damages for its wrongful cancellation by the insurer.

That the value of a paid-up insurance policy wrongfully canceled by the insurer had gone into the dividend fund in part and been distributed held not to estop the beneficiaries from suing on the policy after the insured's death.—Palmer v. Mutual Life Ins. Co. of New York, 141 N. W. 518.

Where, because of the illiteracy of an applicant for insurance, his parents, and other members of his family, the family name was spelled in different ways, and the applicant was known by different given or Christian names, a misstatement of his name in the application did not avoid the benefit certificate.—Coplin v. Woodmen of the World, 62 So. 7.

Where an insurance policy on the life of deceased was the property of a daughter, and the money due thereon was expressly made payable to her alone, there was no occasion for the appointment of an administrator of deceased's estate to collect on the policy.—Young v. Roach, 61 So. 984.

A warranty in a life policy that insured would not "engage" in any of the extra-hazardous "occupations" or employments named, including that of retailing intoxicating liquors, was violated by ownership of an interest in a retail liquor business, though insured did not physically partici-

pate in the business.—Rauber v. Mutual Life Ins. Co. of New York, 141 N. Y. S. 997.

Under the provisions of a life policy and the two sheets of the application, each sheet being signed by applicant, held, the provision on the second sheet as to suicide within a year voiding the policy was part of the contract of insurance.—Heilig v. National Life Ins. Co., 77 S. E. 997.

Where insured received the policy as an ordinary applicant having no confidential relation with the company, and not as its agent, as claimed, and the company trusted him to pay the premium, the policy was then delivered and in force.

In an action on policy where there has been an actual delivery and nothing else appears, the production of the policy by the beneficiary makes a prima facie case.—Pender v. North State Life Ins. Co., 79 S. E. 293.

Chas. is Charlie

Letters of administration held not inadmissible, because they gave insured's name as "Chas." instead of "Charlie," as the name appeared in the policy and proof of death.—78 S. E. 1115.

Indemnity.—Where, under an agreement to indemnify a surety company against loss under a surety bond, an indemnity bond was given which was not satisfactory and a new bond executed, the new bond was not void for want of consideration.—Title Guaranty & Surety Co. of Scranton, Pa., v. Packard-Spink Co., 134 P. 812.

Illinois has another criminal of the century, one Harry Spencer, a dispenser of murder and arson. He confessed to setting fire to 128 flats in flat Chicago.

Why not an insurance cup for California or Coast insurance golfers, to be competed for annually?

While cranking his machine a Californian was thrown violently forward. His head struck against the radiator. Concussion of the brain was the effect and death soon followed. Moral: carry an accident policy.

LAW et al. v. NORTHERN ASSURANCE

Last of the 1906 Conflagration Suits—
Covering Note Did Not Protect Policyholders

California S. C.—Law Brothers v. Northern Assurance Co. 132 P. R. 590

(Concluded)

One of the paragraphs of the complaint is as follows: "That the plaintiffs have performed all of the conditions, covenants and stipulations in the said covering notes and in the general policy of insurance therein referred to, on their part to be performed and have tendered to the defendant in lawful money of the United States, payment of the premium upon said insurance for the term of one year."

The principal controversy, and indeed the vital matter of difference between the parties to this appeal, relates to the sort of contract pleaded and proven by the plaintiffs. B. B. Sturtevant was a broker employed by plaintiffs to place insurance on the Fairmont Hotel property. He and Frank L. Hunter, the resident manager of the defendant company, were intimate friends. On March 17, 1906, they met and, according to Mr. Hunter, the following conversation took place: "Either I or some one else in the party said 'Ben, I assume you will place the insurance on the Fairmont if the Law Bros. take out insurance;' and he says, 'Yes, I expect to.' He turned around then to me and says, 'Frank, I will give you a line,' and I said, 'Thank you, Ben.'" Later the covering note for \$30,000 (the one that was renewed and that was paid after the fire) was issued by Mr. Naunton, who was employed in Mr. Hunter's office. H. C. Ahpel was the city agent of the defendant corporation, and L. B. Chase (the man who signed the covering note here discussed) was in his employ. Mr. Ahpel kept an office separate from that of Mr. Hunter, and, although the latter was the officer having general authority over all of defendant's other agents in San Francisco, no business obtained by Mr. Ahpel or his

office force was ever renewed at Mr. Hunter's office. The broker for the plaintiffs was also a friend of Mr. Ahpel. On March 19, 1906, they met, and Mr. Sturtevant said to Mr. Ahpel: "Henry, I have just got a line on the Fairmont that I can give you." After some conversation, in which Mr. Ahpel learned that the building would be completed in October or November, he agreed to take \$25,000 of the insurance. He asked Mr. Sturtevant if he (Ahpel) would "get the renewal," and the reply was, "Sure, Henry."

It is the contention of the plaintiffs that the complaint sufficiently alleges an oral contract of insurance; that the "covering note" is so ambiguous as not to amount to a complete contract in itself, and does not therefore contain the substance of the agreement between the parties; and that the conversations between the broker for the plaintiffs and the agents of the defendant corporation, when interpreted in the light of the custom among insurance men, amounted to a verbal agreement by which the company insured the building, for \$25,000, during construction, without payment of premium, upon the consideration of the promise that, when the hotel should be completed, a regular policy of the defendant should be issued at the customary rates. As bearing upon the meaning of the promised renewals, counsel for plaintiffs calls our attention to a rule of the board of fire underwriters proven at the trial, whereby members are permitted to issue policies upon buildings in course of construction provided they should be indorsed as follows: "It is hereby understood and agreed that this policy shall be canceled without cost to the assured, no claim for loss having been made hereunder, providing the policy be issued by this company to take effect on the same day on which this policy is canceled, and covering same property for no less amount and for the term of (1 or 3 years). The policy to be so canceled and rewritten as soon as the structure is completed, and the building ready for occupancy."

It is the theory of appellants, supported by some testimony, that the same rule applied to "covering notes" and that the letters "C. O. C.," taken in connection with the agree-

ment for the "renewals," amounted to a contract that the building would be kept insured without payment of premium until its completion, at which time a regular policy of insurance would issue. Taking these contentions in their order, we fail to see how the complaint supports any such theory as that advanced by counsel for appellants.

(1) There is no distinct allegation of an oral contract, and while a parol contract of insurance may be made, proof of such an agreement must be clear and convincing, because, ordinarily, insurance is obtained by the issuance of elaborate written policies. *American Can Co. v. Agricultural Ins. Co.*, 12 Cal. App. 135, 106 Pac. 720.

(2) Such being the rule, it follows that, where an oral agreement of insurance is the basis of an action, it must be set forth in the complaint.

(3) An examination of the complaint (of which the portions here material have been quoted above) shows that no such oral contract is specifically pleaded. True, the complaint contains an averment that there was an agreement for the renewal of the "covering notes"; but that is very different from a statement that a parol contract of insurance existed. The complaint is evidently drawn upon the theory that the "covering notes" were the contracts entitling the plaintiffs to the insurance money in case of loss by fire, and in pleading performance on their part plaintiffs do not set up compliance with a verbal agreement, but performance of the "conditions, covenants and stipulations" of the "covering notes" and the "general policy of insurance therein referred to."

(4-10) We do not agree with the views of the counsel for plaintiffs regarding the alleged ambiguity of the covering note for \$25,000. The fact that it was written upon the blank of another company detracts not in the slightest degree from its clearness. The cancellations which are here described removed all possibility of the contract being mistaken for that of one of the corporations which had its name printed on the form. Nor does the use of the abbreviation "Northern" instead of the full title of the insurance company constitute a material ambiguity. It appears from the testimony of the agent

for plaintiffs and the representative of the defendant that they meant the defendant company when they used the term Northern, and the pleading alleges that the defendant (naming it formally) issued the covering note for \$25,000 of insurance. The reference to the property as the Fairmont Hotel in San Francisco is a sufficiently definite description. No ambiguity arises from the reference to the "company's general policy of insurance." The language used simply served to make the general policy a part of the covering note and plaintiffs pleaded it as such in the complaint. The words "C. O. C." would be unintelligible to the layman, but such technical terms do not render the writing ambiguous. Technical phrases or symbols or abbreviations are often very clear when interpreted, as they may be, by experts. Civ. Code, §§ 1644, 1645. In this case many expert witnesses testified that the letters meant "in the course of construction" and nothing else, and while two witnesses for the plaintiffs gave to the letters a more extended meaning, the jury, in answer to an interrogatory, found in favor of the interpretation given by the majority of the expert insurance men who testified. Counsel for appellants also asserts that the "thirty day" clause is ambiguous. But it is difficult to imagine anything more crystalline. "Insurance hereunder to cease 30 days from this 19th day of March, 1906, at noon" could only mean that, excluding the first and including the last day, the term of the contract would expire on April 18th at noon. Section 10, Civ. Code; section 12, Code Civ. Proc. The words printed across the face of the contract, "This covering memo. must be returned with the application," do not make its meaning in the least obscure. The sentence is merely a direction what shall be done with the "covering note" if an application shall be made for a policy to take its place. To say that these words would convert the writing into a mere application for insurance, or that they might reasonably be so interpreted, seems to us entirely illogical. The contract was one of present insurance. By it the defendant does not merely promise to insure, but by its very terms it "hereby," in the present, "secures" the plaintiffs from loss by fire. It

has long been established that such a "covering note" is itself a contract of present insurance. See *Kerr v. Union Marine Ins. Co.* (D. C.) 124 Fed. 837, and cases there cited. On the instrument in question the word "National" is printed, and "25,000" is written immediately thereafter. This does not appear in the body of the contract and could deceive no one. It was due to the failure to strike out the printed word on the original form and to substitute therefor the name of the defendant corporation; but even if that had been done the word and figures would have been merely used by way of index and would have formed no part of the agreement itself.

(11) The most serious question, however, arises out of the failure of the "covering note" for \$25,000 to specify any rate of premium. There was testimony on the part of experts that in such a contract there was an implied agreement that if the final and formal policy were not issued the "covering note" would be charged for at the rate of a policy for the same time; the rate to be fixed by the board of underwriters. Temporary contracts of this sort are frequently construed by the courts as implying the customary rates, even when no premium is specified in the "covering note" or "binding slip." *British American Ins. Co. v. Wilson*, 77 Conn. 559, 60 Atl. 294; *Smith & Wallace Co. v. Prussian National Ins. Co.*, 68 N. J. Law, 674, 54 Atl. 458; 2 *Clement on Ins.* Rule 19, pp. 575, 576.

(12) But counsel for plaintiffs contends that, since the court admitted evidence of the conversations between the agents of the parties, the question of the existence or non-existence of an oral agreement was before the jury and should have been submitted to the jurors under proper instructions; and that the court's refusal to grant defendant's motion for a non-suit indicated the opinion of the learned judge that the contract of insurance was not a written but an oral one. We do not consider the refusal of the nonsuit in that light. The nonsuit was properly refused because there were certain questions of fact for the jury to determine. For example, the construction of the letters "C. O. C." was a subject of controversy among the experts;

at least one of the witnesses for plaintiffs having sworn that those initials involved a promise of continued insurance notwithstanding the distinct limitation expressed in the writing. Under these circumstances, it was proper to submit to the jury the question regarding the meaning of those initials as well as the facts and circumstances surrounding the making of the instrument. *First National Bank v. Bowers*, 141 Cal. 259, 74 Pac. 856.

One of the strongest circumstances against the existence of any asserted oral contract contradictory of the terms of the "covering notes" is found in the conduct of the agent for plaintiffs in seeking to have formal extensions indorsed upon these instruments. If the notes were binding upon the insurance company until the completion of the building, what was the necessity for renewing them! Yet both were sent to Mr. Hunter's office on April 17, 1906. The "covering note" for \$30,000 was renewed, but Mr. Naunton, acting for Mr. Hunter, refused to renew the one for \$25,000 issued from Mr. Ahpel's office. It is contended that since Mr. Hunter was the "general agent" he had no right to refuse a continuance of business which had been secured by his city agent. We see no force in this argument. He might have refused both requests because renewal was not, under the terms of the contract, compulsory upon the company. On the morning of the 18th of April, after the conflagration had started and prior to ordinary office hours, Mr. Sturtevant went to Mr. Ahpel's office but did not find him there. He did not get the covering note renewed.

Appellants complain of certain instructions to the jury. One of these is attacked upon the ground that it ignores the theory of an oral agreement. It is not seriously contended that it is erroneous under the theory that the action was based upon the written instrument; therefore we need not discuss it further, for we have already expressed our views on that subject.

(13) Complaint is made of the special issues submitted to the jury by the court, and that the court reversed the requirements of section 625 of the Code of Civil Procedure (as it existed at the time of the trial) by re-

quiring answers to the special issues whether the jury found a general verdict or not. The jury did find a general verdict, however, and we do not see how plaintiffs were injured. It was said in *Plyler v. Pacific Portland Cement Co.*, 152 Cal. 132, 92 Pac. 59: "It is true that the court in giving its direction to the jury should make it plain that they are not required to return findings upon particular questions of fact unless they have agreed upon a general verdict." If the jury had answered the special interrogatories or some of them without reaching a general verdict, appellants might complain; but since they apparently did just what the statute prescribes, that is, they found a general verdict and also answered the questions, the error seems to have been harmless.

(14) The court instructed the jury with reference to all but two of the special interrogatories that the answer should be "yes" or "no." This is assigned as error on the authority of *Plyler v. Pacific Portland Cement Co.*, supra. That case does hold that our statute (section 625, Code Civ. Proc., as then existing) did not require the court to frame interrogatories which might be answered by single words of negation or affirmance, but it did not hold that the court might not narrow the issues in proper cases to questions answerable by "yes" or "no." The court, in the interest of simplicity, should prevent the possibility of long, argumentative, and possibly irresponsive answers, and this may be done sometimes by framing the questions in such way that the answers shall be "yes" or "no." In the *Plyler* case the chief justice was not denying the court's right to propound questions which might be best answered by monosyllables, but he was pointing out the fact that our statute does not limit the court's discretion to the submission of such questions only. It is not necessary to review all of the special interrogatories here. They all seem to us to be reasonably appropriate to the issues involved and we do not see how the jury was unduly cramped or prevented from giving a full expression to the opinion of a majority of its members in the instances where they were required to answer "yes" or "no." Take for example the third and fourth ques-

tions asked at the suggestion of defendant: Question 3. After the defendant signed said covering note and delivered it to the plaintiffs, did the defendant ever in writing extend or agree to extend it beyond the 18th day of April, 1906, at noon? which question you will answer yes or no. Question 4. After the defendant signed said covering note and delivered it to the plaintiffs, did it ever orally extend or agree to extend it beyond the 18th day of April, 1906, at noon? which question you will answer yes or no." These two typical instances illustrate the care with which the questions were framed to reach, briefly as possible, the jury's conclusions upon the disputed matters necessarily involved in the trial of the case.

(15-17) It is the opinion of appellants' learned counsel, however, that defendant's question No. 9 is in so great conflict with the general verdict and with question No. 2 of plaintiffs that the judgment cannot stand. Said ninth question is as follows: "Is the intention of the parties as shown by the language used in that covering note that the defendant insures plaintiffs to the extent of \$25,000 against loss or damage by fire to the Fairmont while it is in course of construction, such insurance to cease on the 18th day of April, 1906, at noon, unless a policy is issued prior to such time?" To this question the jury returned a negative answer. And "no" was the reply given to question No. 2. That question is: "Was the insurance to the amount of \$25,000 sought to be recovered in this action in force at the time of the damage to the Fairmont on April 19, 1906?"

The position of plaintiffs is that since their construction of the covering note made it extend by its terms to noon on the 19th of April, while that of the defendant would terminate it 24 hours sooner, the negative answer to question No. 9 could only mean that the jury accepted their theory, and that special issue No. 9 is therefore hopelessly at variance with the rest of the findings and the general verdict. But we do not see that the negative answer to question No. 9 necessarily involves an indorsement of the theory of plaintiffs. In determining this matter we may consider the finding alone and not the

evidence or the respective theories of the litigants. *Chicago v. Dunleavy*, 129 Ill. 148; 22 N. E. 15; *Higgins v. Kendall*, 73 Ind. 527. While the answer to query No. 9 would demonstrate that the jurors did not agree in every particular with defendant's contentions, it might indicate that they believed the end of the contract came at some hour other than noon on the 18th of April, yet long before the dawning of the 19th. The rule in cases of alleged conflict between special findings and a general verdict is very well stated in 38 Cyc. 1928, as follows: "No presumption will be indulged in favor of answers of the jury to special interrogatories as against the general verdict; but, on the contrary, every reasonable intendment in favor of the general verdict should be indulged, and all parts of the verdict are to be reconciled in support thereof if it can reasonably be done." Hence the general verdict will stand unless the facts found by the jury in answer to special interrogatories, are so clearly antagonistic to it as to be absolutely irreconcilable; the conflict being such as to be beyond the possibility of being removed by any evidence admissible under the issues, so that both the general verdict and special findings cannot stand." Measured by this rule we think there is no material conflict of the sort claimed by plaintiffs to exist. A special finding is inconsistent with the general verdict only when, as a matter of law, the special finding when taken by itself would authorize a judgment different from that which the general verdict will permit. *Campbell v. Dutch*, 36, Ind. 506; *Loewenberg v. Rosenthal*, 18 Or. 181, 22 Pac. 601.

Numerous objections were made to rulings upon the admission of the testimony of experts relating to matters of custom and usage among insurance men, and the meaning of the letters "C. O. C." used in the covering note. Without reviewing these rulings in detail, we find that they are all defensible under the provisions of sections 1644, 1645, and 1646 of the Civil Code.

Marine.—A curious cause of leakage is that which nearly sank the str. *Spokane*, which with 45 fathoms of water beneath her listed dangerously, with water pouring

through an open valve. The pumps finally made sufficient headway, and it was found that a piece of wood had slid up from the sea and opened the valve to the condenser tubes. Some water damage.

German American Takes Another Company

The Virginia State, organized in 1865, and having choice business in the South, has been gathered to the hospitable bosom of the German American of New York.

A Subterfuge Amounting to a Rebate

An agreement with an agent of the insurer that, if the insured will take the local agency of the company, the agent will write other insurance locally without the aid of insured and divide his commissions on same with insured, so as to provide for the payment of his premium notes, is a mere subterfuge, amounting to an illegal rebate.—*Thomson v. McLaughlin*, 79 S. E. 182.

Stockton Trouble

The Sacramento agents have been able to hold down S. H. Gilbert & Co., a non-board agency of unreasonably flighty tendencies as to rates; but this agency has opened an office in Stockton, Cal., and threaten to rip up things. Stockton is not the city we should choose to cut rates in, for it has been a very dry season and business is none too good anyway.

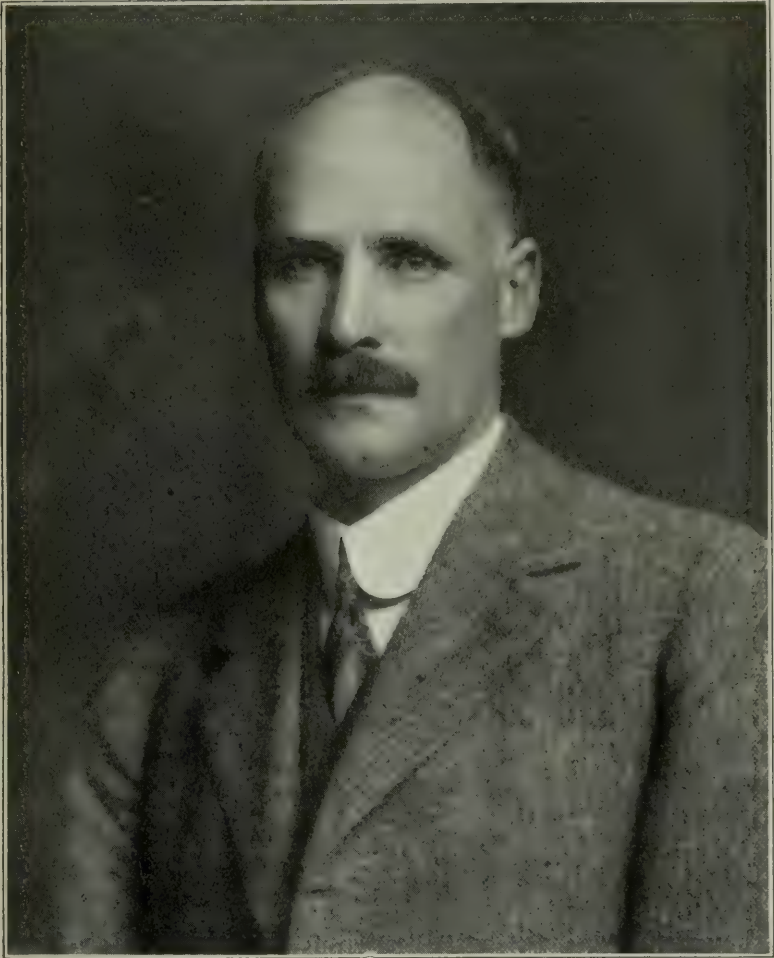
Big fire insurance companies might well advertise themselves to 10,000,000 readers and incidentally instruct the public after this manner:

"American fire losses are \$3 per capita."

"Carefulness with fire would reduce the annual fire waste (and insurance cost) one-half."

"Fire underwriting profit averages 2 cents out of every 100 cents premium."

The Eastern Union met last month. Whitney Palache and James Wyper, new vice presidents of the Hartford Fire, were welcomed. Regret was expressed because of the illness and absence of President Clark of the *Ætna*.



SAM B. STOY

Manager Pacific Department London & Lancashire Fire Insurance Co.

Mr. Stoy entered the service of the Anglo-Nevada Assurance Corporation in 1887. This was the beginning of his insurance work. On the reinsurance of the Anglo-Nevada by the London & Lancashire in 1890 Mr. Stoy joined the latter company as Special Agent, and has continued in its service, holding various positions of trust, ever since. For the past two years has been assistant to Manager James Wyper, under the title of Agency Superintendent. United States Manager Archibald G. Mellwaine, Jr., came to San Francisco to appoint a successor to Mr. Wyper, who had resigned. On July 30 he appointed Mr. Stoy as the employee of the company who was best qualified to carry its policy into effect in this field.

SEVERAL and SUNDRY

Arizona

For the calendar year 1912 the precious and semi-precious metal products of Arizona had a value of \$67,050,784, a gain of \$22,893,561, due mainly to increased copper production. There are 68 milling plants in operation in this state, some for a short time, some for a year. There are 10 smelting plants. A new one is being built at Douglas.

Alaska

Since the beginning of auriferous mining in Alaska in 1880 the gold production is estimated at 10,292,541 fine ounces, valued at \$212,765,727. 1906 was the banner year, producing over a million ounces, valued at over \$22,000,000. Last year's yield was \$17,145,951.

Copper in 1911 jumped from 4,241,689 to 27,267,878 pounds. Last year there was an increase of about 2,000,000 pounds.

The lode output of gold is increasing. The Yukon basin, though declining, still leads in gold production.

In 1912 there were 31 gold dredges in operation in the Seward peninsula, an increase of 9. Four have since been completed, making 35 in this district. Nine are near Nome. The daily capacity of these dredges averages about 1,000 cubic yards. The average gold recovery is from 52 to 64 cents per cubic yard.

The Fireman's Fund is now more than a 10 millionaire—just as we predicted.

It is the custom for public adjusters to divide their fees or commissions with brokers or others who bring them the business. This is done in San Francisco.

The New York insurance department has notified public adjusters not to divide their commissions with either brokers or assured.

Our Dividends Not to Pay Income Tax

It was a hard fight at Washington but the life men won. Dividends (premium refunds) will not be taxed under the new income tax.

Northern Life of Seattle

Reports for the first half of 1913 show an increase of 65 percent in new business.

One Out of 100 Young Men Will Die Very Soon

You must humanize your insurance. You must put real life in its story. Cut the actuary attitude out of your real public side; keep him in the policy, where he belongs. Here's a thought that comes to mind. If 100 average men 30 years of age, with families, were locked in a room and were going to draw lots for one man to be killed before the end of the year, and if they had an opportunity of taking out insurance policies before that drawing, would they do it or would they say, "let my wife and children take the chance"

The actual facts are that Father Time compels just such a drawing as this every year. Do many prospects get that thought? Practically one man out of every 100 at 30 years of age dies within the year.

There is a drawing next year that takes one of the 99 left, and the next year takes one of the 98 remaining, and pretty soon the point is reached where two are drawn each year, and it's the lucky one who plays out his full string.

—Norval A. Hawkins.

ONE THING AND ANOTHER

He was a very successful general agent whose chief company was retiring from San Francisco. "Why do you not continue in business?" I asked. "The game is not worth the candle," he answered. "But these clerks and assistants and specials have been with you a long time and have served you well!" "Oh, yes; and they have served the retiring company equally well. Should I be any more considerate of them? The company has made money but will take no further risks in San Francisco. Then why should I? The employees of my office have all been well paid, and there any obligation on my part ends."

* * *

To another manager I said: "You do not seem to believe in promotion in line in your office. You have introduced new men over the heads of your old employees. So-and-so (mentioning a successful office) puts new employees at the bottom round and pushes its older employees forward." He was somewhat emphatic in his remarks, thus: "A very big office, with departments, may promote, or seem to promote, in regular order, but the best places are really reserved for the best or fit men. There should be no favoritism. Promotion should go by worth as well as by seigniority. If none of my employees has shown the required talent and possibilities for an unfilled place, I am going outside for the right man. Some of the most successful companies follow this plan. They do not make a man manager to succeed a resigned or dead man simply because he is their oldest agency employee—say, the cashier or bookkeeper—without field or managerial experience, and then have to make a special agent his joint associate and real manager. That's paying two salaries where only one is necessary. It is being governed by sentimental, not business considerations. Besides, some other office will pay that best man a better salary, some day. The way to fit a man for a higher position is not to allow him to expect it by reason of years of service in an inferior position. Let him know that he must fit himself for the higher place." To which I could

only say: "This is certainly fair if the worthy employee is given a chance to advance according to his ability and character."

* * *

One Chris Colombo, born in Genoa, Italy, who walked "dry" to Madrid, Spain, or thereabouts and was introduced to the sovereigns, but not to the dollars, struck them for a loan, and persuaded the queen (Elizabeth) to pawn her pearls and buy him a sailboat, was a gentleman who could raise the wind, a wig, but not a beard. It is erroneously supposed that Chris discovered the United States but he never set foot on this continent, nor did he discover any of the three Americas; but that was not his fault, poor man, for jealousy and possibly ecclesiastical rage put him into prison until other sailors had stolen his chance. The great discoverer of Cat Island could make an egg stand on end but he couldn't beat the grafting combination that forced him home in chains. But now he is rewarded. Not only has he two graves with his own private skeleton in each, but in a country he never dreamed of he has a public holiday created specially to give insurance and bank clerks a holiday midway twixt labor day and Thanksgiving. By the way, do you know it is not positively known whence came the name America?

* * *

I believe that phonetic spelling will alone save the purity of the English tongue. Our present unphonetic spelling is partly responsible for many changes of pronunciation. Every man you meet says "asso-si-ation"; some men refer to "condooits"; on the other hand, there are other men who seem unable to pronounce a terminal "a" without sounding an "r", as "Napar" for Napa and "ideer" for idea. College graduates speak of "Injans" and say "immejatly." As long as we spell it "fertile" we may expect to hear even educated persons pronounce the word with the long "i" in the last syllable. Many college-bred men give the long sound to "i" in engine.

* * *

The uninsured man is a gambler.

The First, as Usual

The Coast Review was the first to announce the fact that the Commercial Union was the purchaser of the California; that the Westchester would retire from the Macdonald & Miles agency; that B. J. Smith had been appointed Coast representative of the Westchester; that Ward succeeded Anderson in the North British & Mercantile local department; that the Home had reinsured the Los Angeles Fire; that Manager H. H. Smith of the Law Union is to have another British company, etc., etc. These "firsts" appeared as extras, and enabled our numerous contemporaries to print the news.

Francis to be Assistant Manager

Guy Francis is to be the assistant manager of the Pacific department of the Connecticut Fire and the Westchester, under Manager B. J. Smith.

Herbert Folger, assistant general agent of the successful Tyson agency, has returned from a wide trip through the neighborly Northwest. He says that business conditions up there, while not wholly good, are better than they were a year ago.

Manager Niebling of the Commercial Union and Palatine is looking well now, and quite like his former self. He is at his office as heretofore. Mr. Niebling, by the way, like other good Californians, has bought a summer home ranch, up Chico way.

Paul Nippert has six concessions at the Panama-Pacific, and one of them, the merry-go-round, opens next May. Let's all take a ride. The editor of a contemporary has applied for the peanut concession, and the editor of another hopes to get the gas-bag concession.

It is possible that the Connecticut Fire will have no Connecticut Fire Underwriters.

Manager Watt of the Royal and Queen is in the East, where he will attend the annual meeting of the United States and Canada department managers.

Placing Insurance on the Panama-Pacific Buildings

President Moore of the Exposition Co. has asked the Brokers Exchange to permit the placing of insurance on the fair buildings without commission, in other words, that the commissions shall be paid to the exposition. There is some objection on the part of the brokers, on two grounds; first, that the broker who places the insurance on the buildings would have first call on the exhibits insurance; second, and not loudly, that the Brokers Exchange has already contributed \$10,000 to the exposition.

The man who doesn't insure his life has put the proper value on it, like the man who gave 10 cents to the man who saved him from a watery grave.

Arthur Brown of Edward Brown & Sons has returned from the East. In New York he had a narrow escape from receiving the general agency of a New York company.

The late Commodore Perkins, who dropped dead at age 65, was of opinion that Dr. Cook might have reached the north pole. The Commodore, who was with the Greely relief expedition in the arctics, said one must keep moving up there, and as well move to the pole as either east or west. Doc., at least, was there long enough to find and dig up the pole. Taylor of the Metropolitan Life was of opinion that Cook actually reached the pole.

The employers obligations to his employees do not end with the payment and acceptance of an offered compensation. If an employee does not earn his salary he is discharged. But what if he earns more? The thoughtful and honorable employer will not wait until he asks for more. Besides, this good man may go elsewhere.

Don't let your stomach do your sour thinking.

The Fire Association of Philadelphia

Did you know, or do you recall, the fact that this company is nearly a century old? It began business in 1817, when the veterans of the Revolution marched in the parades.

The Fire Association had \$8,000,000 assets January 1, 1909, and over \$9,000,000 on January 1 of this year. The premiums have been increasing too, and likewise the surplus funds. There is yearly an underwriting profit. The reinsurance reserve is larger than the premium income. The policyholders' surplus is more than a third of the assets. The net surplus is exceptionally large.

The Pacific Coast premium income last year was \$445,861, with 37.6 percent losses paid.

Frank Avery, the manager at San Francisco, has done extremely well with a somewhat too narrow territory. The Coast Review Fire Chart shows a steadily increasing business in Manager Avery's territory, with moderate losses. Last year his loss ratio for the Fire Association was only 25 percent. He represents also the Philadelphia Underwriters.

Guileless San Franciscans

Easy.—He played the old game and won with the first rattle out of the box. A ring of the bell at the home of the insurance man whose name, of course, is in the San Francisco city directory. Mrs. Jones "answers" the bell. "Oh, Mr. Jones," she tells him, "a horrid looking man is at the door and wants to see you. Don't go; he may be an anarchist." But Mr. Jones is brave. He opens the door. "Mr. Jones, you will pardon me," says a voice with a very German accent. "My name is Haines. I used for to be a special agent for your company in Illinois. I am vell acquaint with the manacher at Shigawgo. It voss this way. I have a chob at Richmond but I haf no money to get there. Vill you not kindly loaned me the fare." "Surely; here is 30 cents; good night." Easy, that, for both. At the lunch table this story was told. Exclamations! What! What! Three other

insurance men confessed they had been victimized by "Mr. Haines" who had formerly been in the service of "your company" and who named the officers and managers, his "dear friends" whose names he had gleaned from some year-book or directory. One of the gentlemen, who has a reputation for impulsive generosity, confessed that his sympathies with the unfortunate Mr. Haines had torn him apart from a \$5 gold piece. This bit of petty swindling was much in vogue before the fire. In those days the faker represented himself as the son of a named director of the company, and likewise called at the home of the San Francisco representative of the company.

The California

Col. A. H. Wray, United States manager of the Commercial Union, is in San Francisco, arranging for the transfer of the stock of the California and for the future operations of the company. There is talk of an increase of capital and surplus, preparatory to the writing of larger lines.

The Pacific Interinsurers got into such a state of painful paralysis that the managers asked the California state insurance department to mercifully kill it. Which reminds us that years ago the Bankers & Merchants Mutual Life Assn. hired a lawyer to bring suit against it to close it up legally and "save" it from bankruptcy.

General Agent Berdan has returned to New York.

The London & Lancashire Fire this year pays the same dividend as last.

Maryland has joined New York in requiring lower commissions on liability business.

The Capital will probably transfer its headquarters to San Francisco.

Idaho.—In 1912 this state produced \$21,466,521 of gold, silver, copper, lead and zinc, an increase of \$2,365,627. The gold product was 2,266,334 tons ore of \$1,381,214 yield. There are 173 deep mines and 235 placers. The silver product exceeded \$5,101,000. Idaho produced 284,185,657 pounds of lead, valued at \$12,788,355.

He's Good Authority

William Sexton, the dean of Coast fire insurance and general adjuster for the Fireman's Fund, addressed the Commonwealth Club in San Francisco, at luncheon, last week, on "Fire Insurance." Mr. Sexton's talk was clear; brief, convincing, and characteristic.

About \$300,000,000 a Year

The fire loss figures of the New York daily which underwriters, fire marshals, insurance commissioners and governors are so fond of quoting are press estimates of losses of \$10,000 and over only, and do not include the countless losses under that large amount. Sworn insurance losses indicate property losses to be at least \$3 per capita in the United States and Canada.

Darkening of California

One who has traveled much in the great valleys of California notes, he regretfully says, the gradual darkening of the faces seen at the railway stations. Labor is in demand for many growing and harvesting months, and white laborers reluctantly accept or positively refuse much of the work offered in the hot valleys. Formerly, the Chinese supplied the demand, latterly the Japanese, and now the Hindus—and next the negroes? Many and increasing dark faces are seen in fields and at stations—while the white laborers flock to cities, join I. W. W.'s, listen to designing agitators, and become the easy dupes of labor union politicians.

The test of any man is his willingness to work, to do a fair day's work for a fair day's pay—and latterly, at least on California ranches, the white laboring man has failed this test. Though well fed and housed, after a few square meals and with a few dollars wages, he returns to the city.

Water Deficit

In the past four years the deficiency of London's water board finances exceeds a million dollars. The annual deficiency is now \$425,000. The cost to ratepayers must hereafter be greater than when the water-works were privately owned.

Going Up

Sun Insurance shares have again advanced.

Changes

Of the men who on December 22, 1911, joined in a request to the Panama Pacific Fair authorities for the appointment of a committee for an insurance congress these have since died or retired from business or from San Francisco: E. F. Green, F. E. De Groat, C. Mason Kinne, Whitney Palache, A. G. Sanderson, Marshal A. Frank, A. K. P. Harmon, and perhaps others.

Saloons

Time was when saloons (says the Fireman's Fund Record) were desirable risks in the good old towns. They were paying, had day and night watching, ran all night and ran all day. The moral hazard was good. In towns where the saloon was the gentleman's club—where judge and sheriff and other leading citizens would drop in, gossip, talk politics, play whist or old sledge, and tak a reet good Willie Waught "for auld lang syne"—the saloon is now taboo and the moral hazard is impaired. Agents are advised to go slow on them, particularly in the smaller farm towns.

No Scientific Burglaries

The ex-chief of the Paris C. I. D. says the "scientific" burglaries of the sensational press are myths. The burglar, as any other criminal, is too ignorant and skeptical to apply chemical and electric methods. In his career he has known of only two cases of blow-pipe robberies, and in one of these a jeweler committed a sham burglary on his own safe. The intense brilliance of the thermit would give the alarm and dynamite would only wedge the lock tighter. Thus goes glimmering gaily another popular error taught by the yellow journalist. "Common burglars," says M. Guichard, "belong to an inferior race."

Life Man in Politics

New York, Oct. 20.—J. A. Hennessy, special graft investigator, says Wm. E. Payne, a trustee of the Equitable Life Assurance Society, was "Gov." Murphy's emissary who brought to Gov. Sulzer the ultimatum to appoint a certain man to a graft office or submit to war.

OPTION ON CALIFORNIA INS. CO. STOCK

Control May Be Bought by Big Company, Which Will Continue the California and Largely Increase the Capital and Surplus

For some time past quiet efforts have been made to buy a controlling interest in the capital stock of the California Insurance Company of San Francisco.

The Commercial Union Assurance Company has the option. It will acquire the stock at a bargain. There is little doubt that the sale will be made. The largest holder (1500 shares) favors it.

An option on the majority of the shares of the capital stock has been secured. This option lasts 30 days. The price offered is \$95. The market quotations today are \$87 bid. The par value is \$40.

Secretary Geo. W. Brooks informs the Coast Review that if the deal goes through, the California will be continued as a separate company as heretofore, with at least six of the present directors.

This is a condition of the sale.

The capital is to be materially increased and the net surplus will also be increased.

On January 1 the California had \$1,268,300 assets, \$400,000 capital, \$275,292 net surplus, and \$518,492 reinsurance reserve. In 1912 the company reinsured nearly all its Eastern business and has since restricted practically all its business to the Pacific West. Losses in the home field were only 31 percent of the premiums.

High School Burns

The high school frame building at Santa Cruz, Cal., burned October 1. The local fire department directed in

vain seven streams of water on the flaming structure. Some of the contents were saved. The corrugated iron annex was saved. Said to be insured for \$40,000.

Three New Appointments by the London & Lancashire

Manager Stoy announces the appointment of Geo. Ormond Smith and J. P. Yates as agency superintendents, and W. B. Hopkins as local secretary, effective October 15.

Agency Superintendent Smith's headquarters will be in San Francisco.

Agency Superintendent Yates's headquarters will be in Los Angeles as heretofore.

Secretary Hopkins's duties will be largely outside, with special supervision of the Metropolitan district of San Francisco and other Bay cities.

Manager Stoy and his companies are to be congratulated on these appointments, as being specially fit as regards men, places and duties.

Mr. Smith, whose office will be in San Francisco, has been with the Ins. Co. of North America as special agent for four years, entered the employ of the Robert Dickson companies in 1886 and continued with the Royal Exchange until it withdrew from California.

Mr. Yates continues in charge of the southern California and Arizona department of the company, with headquarters in Los Angeles, Mr. Yates entered the service of the company in 1891.

Mr. Hopkins has been with the company since 1891. He will have special supervision of the Metropolitan district of San Francisco and other Bay cities, as well as other important points.

The Greenwich is impaired \$25,000, because of a high loss rate.

Home of New York Reinsures the Los Angeles Fire

Los Angeles, Oct. 3, 1913.

At noon today the business of the Los Angeles Fire was taken over by the Home of New York. The local company agrees not to resume business for three years. Possibly, for a time at least, the Los Angeles Underwriters Agency will take the place of the reinsured company with its local agents. The Los Angeles Fire has about \$65,000 premium income on its books.

Manager Gunn of the Liverpool & London & Globe is attending the annual meeting of the American and Canadian managers of the company. This British company entered the United States in 1848.

Kansas.—Our insurance superintendent has positively prohibited any increase of rates based on new inspections. The companies which write these risks at old rates admit that Ike is right and their inspectors are wrong.

Chicago.—The city fire loss ratio is now 56 percent.

Knight's Ferry, Cal. — Grass fire burned over 3,000 acres in the foothills. James Whyte's house and barns burned.

San Diego.—Pullman rates twixt here and Los Angeles are now \$1.50 for lower and \$1.20 for upper berth—quite a reduction.

Morris W. Tormey of New York City has been appointed United States representative of the life reinsurance department of the Cologne Reinsurance Co. of Germany. Mr. Tormey is certainly well qualified, both as manager and as actuary, for this position. His office will be at No. 1 Liberty street. The Cologne has an automatic method of reinsurance.

The life insured man can never be a pauper nor go to the poorhouse.

Stockholders of Phoenix and Connecticut Ratify Merger

Hartford, Conn., Oct. 2, 1913.

At today's meeting of the stockholders of both the Connecticut and the Phoenix of this city the merger of the former company with the latter was ratified by a decisive majority.

The Phoenix, thereby, will have a capital of not less than \$3,000,000 and cash assets of nearly \$20,000,000.

Until the formal merging, as by legal requirements, the Connecticut policies will be used as before. The Connecticut separate agency plant will be maintained throughout the Pacific West and elsewhere.

Cook county, Ill., class one agents will be limited to 20, 25 and 30 percent commissions, with 5 percent contingent. Class two, 10, 15 and 25, but no contingent. No commission in big down town district to exceed 20 per cent. Brokers the same. Agents agree not to represent any company paying higher commission rates. Similar reductions will be made in St. Louis.

Companies licensed in Idaho must not hereafter accept business in that state through non-resident brokers.

The Liberty Fire of Jersey City has been organized. The organizer once (he says) "called" the editor of the Insurance Gazette of Belfast, Ireland.

Street-Car Men Insurance.—The United Railroads of San Francisco is considering a plan to insure every employee for \$1,000, without medical examination and without cost to the 2,000 employees of the association. The life companies which insure on the group plan, sick and well, young and old, will be asked to bid for the insurance.

E. R. Gorges, N. Y., is under arrest for collecting \$70 accident premium and pocketing the same.

What Will the Canal Do to Us?

The completion of the canal across the isthmus draws near. If the newspapers don't sink it with earthquakes and the politicians don't hire somebody to dynamite it out of existence, the canal will be in operation in six months. It is pertinent to ask, How will it affect us of the Coast? Will some industries be forced out of existence, and new ones boom into bigness? Will thirty or forty insurance companies spring into existence? Will there be a rate war in fire and in marine insurance? Will a railroad or two be forced into a receivership? Will a large immigration boom farm lands and town lots? Will there be many ships sail through the canal up to our Coast's hospitable harbors with high pilotage charges?

Bonus Fire Policies in Great Britain

Until a comparatively recent time "bonus" policies in connection with fire insurance were by no means uncommon, and certain companies and mutual societies raised considerable premium incomes as a result of their issue. So successful, indeed, were the managements of the more important bonus-giving offices, that some years ago the great tariff companies found it advisable to put an end to the competition by paying large sums for the businesses in question. It is not unlikely that similar procedure will be necessary in the near future. For several years the Provincial Insurance Company, Ltd., which was established in 1903, has granted both fire and burglary insurance policies to which bonus privileges are attached, and it has met with considerable support, and now we have the announcement that the Guarantee Society, Ltd., which dates from the year 1840, has adopted the same course as a means of obtaining business.

The competition of this company, although it may never become really serious from a premium point of view, will scarcely be welcomed by the shareholders of the tariff companies which recently spent large sums in the effort to establish a system of firm rates in this country. "Bonus" policies are admittedly seductive, and when an old and wealthy office undertakes to issue them there are certain to be thousands of persons only too willing to accept its liberal offer.—Insurance Observer of London.

No Tomorrow

You haven't tomorrow!

You've no right to say what you're going to do tomorrow, next week or next month.

Saying so dulls your today's efforts. It's bound to do so.

It tends to your knocking off from work earlier today, easing up on your today's efforts.

And you do the same thing tomorrow, more or less so.

Get tomorrow and all the future out of your head!

Right this very day is all, all you've got!

Use it wisely.—International Life-man.

Theater Fires.—Safety Engineering compiles a list of 30 theater fires this year. Among them are—

Jan. 5, Portland, Or., Japanese.

April 10, Clifton, Ari., two.

May 3, Bellingham, Wash., Rose.

June 1, Bremerton, Wash., Dream.

June 29, Kamiah, Id., Gem.

July 9, Tracy, Cal., Arlington.

Aug. 19, Spokane, Auditorium.

Aug. 24, Sacramento, Diepenbrock.

The Twin City Fire has only \$18,519 net surplus.

The Smaller Life Companies May Well Organize a Joint Financial or Investment Agency

It is frequently urged against the small and the less large Eastern life companies operating in this West that they have none of their legal reserve funds invested here, excepting possibly bonds of trans-continental railroads. The very large companies lend money on Coast realty mortgages and buy good municipal securities—not all the Coast premium reserves but a goodly total. This is pleasing to Western folks.

The smaller companies say, with reason, that they cannot afford to maintain a financial agent out here to look after their investments, lend on mortgages and pass on municipal and other bonds. These companies look for safety and moderate interest, and invest nearer home.

These are good arguments, but they do not prevent “a selection against” these good companies in favor of other good companies which do lend some or much of their Coast premium reserves on this Coast or buy Coast securities,

It occurs to us, as practicable, that a financial agency could be maintained out here by several companies jointly at a moderate cost. The Pacific Coast is growing and the completion of the Panama canal will draw many immigrants here.

This Pacific West is an empire in itself with a territorial area equal to all the country east of the Mississippi river.

We read in United Kingdom papers, in the railway ads, “children over 3 years and under 12, half fare.” In this country children under 5 years old are carried free.

John Marshall of the Fireman’s Fund has been elected vice president of the big, strong Western Union.

Sugar-Beet Plants Closing Down

California.—Because of the new tariff the beet sugar mills at Hamilton City, employing 500 men, have closed down, and farmers have been notified that beet-growing contracts will not be renewed. The land will be sown to wheat.

The Alvarado sugar-beet plant will be closed and the substitute plant at Meridian will not be completed.

Other California sugar plants are preparing to close down.

We read so much in life insurance literature about “cutting out the cigars” in order to pay the premium that the question comes, “What do cigar dealers think of this stale argument?” Do they insure? Would it not be well to vary the argument? Why not use “cut out the beer,” or “dine at the beary once a week,” or “abstain from the nickelodeon,” or “swear off vaudeville,” or “stay away from the theater six months”? and then you’ll never miss the price of a yearly policy.

You don’t like the thought of your widow marrying! Then take out a monthly income policy payable to your widow, and then she won’t have to marry again for a home.

Mexico City.—We are glad to hear that Uncle Sam still eats his meals off the mantel-piece. He’ll do that while his back is turned this way. What we fear is that Uncle Sam will turn round and offer to enlist our soldiers at \$15 a month. Then it will be all off with our distressed country.

Tulare, Cal.—About five miles of mains have been laid here, mostly 10 and 6-inch.

Hostility to New Things

English workmen mobbed John Kay for inventing the flying shuttle which revolutionized weaving. They drove out of the country James Hargreaves, for inventing the spinning-jenny. The factories of the man who invented the spinning-frame, Sir Richard Arkwright, were destroyed by workmen. The first sewing-machine shops were also destroyed, in 1841, by a French mob. Are insurance men any wiser? Have they not resisted policy reforms and insurance investigations? For years the life companies had typewriter forms of policies before they were accepted by fire companies. Elizur Wright, the father of modern life insurance, was opposed, denounced and reviled. The Equitable Life investigation bore much good fruit. Life insurance today is safer and cleaner because of that investigation and the new laws which followed. The standard form of policy is long outgrown; it is inferior to that used in Canada; it is inferior to that used in California; but efforts to create a new standard form in New York and elsewhere have been resisted with something like the spirit of the workmen who oppose new inventions. The workingman said this invention will deprive me of my job: he was not wise: the invention gave him a better job. The underwriter says this new policy form will upset all court decisions and make more litigation: he may not be wise, for this was said of the California standard form: the new policy has not increased litigation nor losses. Would it not have been better, years ago, for the underwriters to prepare a simpler form of policy, acceptable to both insurer and insured, a shorter form, indexed and with headings and warning bold-face type, yet preserving well established points of law? rather than wait for hostile and ignorant legislation? Surely, in this underwriting world of ours there is too much of the spirit of the aged and the decrepit which reverences the established forms and wants and expects things to always remain as they are. But they won't remain as they are, and it is therefore better to anticipate and have a leading share in the inevitable changes.

Law Union & Rock

The gross assets of the Law Union & Rock (represented by H. H. Smith) now exceed \$48,000,000 and the total income is about \$7,000,000. In 1912, \$1,349,925 was carried forward as a general reserve. Fire losses were only 42 percent of the premiums and expenses were 34 percent. Fire reserves were therefore largely increased.

Seems the Day of Consolidations and Big Things

Our federal government is striving against modern tendencies which are toward elimination, consolidation and advantage through size. Any government success in this strife of the titans—in this unscrambling—must be more seeming than real. Whatever reduces cost and insures profits, in business, will win, if not in one way then in another.

This tendency to merge and enlarge is of late looming large in fire insurance, in life insurance, in marine insurance and in liability and casualty insurance. In other countries the fire companies have added other branches, and the casualty and liability companies have added fire. The largest fire companies have acquired the largest marine companies in England; and in the United States three of the largest fire companies have big annexes. Big life companies operate liability and casualty companies.

The tendency is unmistakable, but whether it is permanent depends on the law and the profits. Insurance of every kind depends on the personal element. If the local agent prefers to deal with one company or one office, that preference would be consulted. If he is governed by personal considerations, by his relations with the field man, and the manager or general agent, rather than by size and figures, the small companies will come and stay and have their day and their show.

Producing his insurance card, an East Ham prisoner declared: "I have got my Lloyd George to show I am a qualified worker."—London Daily.

Alberta has an 80-million bushel wheat crop. Some insurance there.

Items appearing on this page have appeared in Coast Review Extras.

Wedding.—Douglas Parker, Coast counties special agent for the Geo. H. Tyson general agency, now knows what true happiness is. He was married to Miss Emeline Parsons, at the home of the bride's parents, Mr. and Mrs. L. B. Parsons, at Haywards, Cal., Saturday evening, October 11. The happy couple are now motoring through southern California on a brief honeymoon trip.

The California loss ratio of the Westchester in 1912 was 83 percent.

Among San Francisco's county clerk disbursements for August appears this item, Hagenkamp vs. Equitable Life Assurance, \$787.

Smith, Thomas & Smith of the Northwestern advertise their company as lending \$1,597,000 on California realty in 1912, and as having \$4,000,000 real estate loans in the state. Nothing is said as to the amount, if any, loaned on San Francisco realty.

The Greenwich is a goner—into the Pacific.

General Manager Large of the Norwich Union Fire will soon visit San Francisco and other Coast cities.

The reinsurance of the Los Angeles Fire by the Home has started other rumors of reinsurance.

The Southern States Fire of Alabama has reinsured.

Still they come to the Coast for good men. The New York state insurance department has appointed Prof. Albert W. Whitney of Berkeley, Cal., associate actuary.

There is some talk of a new general agency in San Francisco.

The genial Dixwell Hewitt is filling and fitting the new position of sole general agent of the Hartford Fire for this Coast with modest efficiency and perfect sufficiency.

Among corporations contributing to the expenses of the beautiful Portola festival in San Francisco are: Commercial Union \$50, Fireman's Fund \$100, Pacific Coast Casualty \$50, West Coast Life \$50.

Retires From Five States

The Reliance of Pennsylvania has reinsured its business in five states in the Hartford Fire.

The California is Purchased

The deal for the purchase of the California Ins. Co. stock has been closed, and a deposit has been made. The purchase price is \$95 a share, par value \$40. The California will be continued as heretofore. The Commercial Union is the purchaser. It has secured a good agency plant at a bargain.

Watson & Taylor Get British America for California

The general agency of the British America for California has been placed with Watson & Taylor, who also represent the City of New York and the New York-California Underwriters. This firm formerly represented the British America.

Miller, Scott & Henley retain the general agency for Oregon and Washington.

The "underwriters" of the defunct Pacific Coast Interinsurers are in mourning for a dead hope and a live lawsuit.

San Francisco.—A \$50,000 fire engine house is to be built at Drumm and Commercial sts., near the north waterfront. Two companies will be housed in brick and concrete. An engine, a truck and a monitor will be installed. The house faces three streets.

How long will the Los Angeles interinsurers scheme last? Any bets?

Bonding.—The Massachusetts is called on to perform the defaulting contractors' work on the city hall rubbish removal or pay San Francisco \$10,000. Contractors, Williams & Finnigan.

Fire.—The Phoenix Assurance has declared an interim dividend of 3s. 6d. per share (less tax), being at the rate of 17½ percent on the paid-up capital for 1913. A year ago the dividend was at the rate of 15 percent.

Local Secretary Hopkins of London & Lancashire is making a business trip to the Islands.

FIRE INSURANCE

San Francisco's Fire Defense Best

In a letter to Manager Watt, as representing the Board of Fire Underwriters, the head of the fire department says San Francisco's auxiliary high pressure system is the best in the world. Chief O'Shaughnessy recently visited Baltimore, Boston, Philadelphia and New York and studied their fire protection. He says:

"With the two pumping stations and the Twin Peaks reservoir, all widely separated and founded upon solid rock, as the main sources of supply, the two fireboats as powerful auxiliary sources, the distribution system provided with numerous gate valves to permit of cutting out any part which may be injured and the 136 cisterns, San Francisco is today provided with the best and most extensive fire protection system in the world.

"Even the occurrence of an earthquake of equal or greater intensity than that of April, 1906, could not result in seriously disabling any considerable part of the system, and property owners in this city can rest assured that the great fire of 1906 will never be duplicated."

The Los Angeles Fire

The Los Angeles Fire has had a peculiar history. It was created by a holding company controlled by Miller of Stockton. No stock was sold in Los Angeles, as we are told. Many local agents were appointed but the business obtained was mostly in the South and much of it through stockholders. The San Francisco office has never been a success, and in fact the little business in the North was written at a high expense rate. W. F. Holt, the president, is a Pasadena capitalist who hoped to make a worthy southern California company. J. H. Patterson was brought out from New Jersey (where he was a Camden Fire man) to do the fire underwriting as vice president and manager. He kept the loss ratio down to 15 incurred or say 20 percent of the earned premiums, and increased the premiums.

The stockholders have not fared well. They dropped a deal in the Finance holding company, and have had heavy expenses with the fire company. There have been grave errors from the beginning. Los Angeles capitalists should have been interested at the start. Los Angeles commissions should have been moderate. No department should have been started in San Francisco, where, if possible, business should have been written only through an established office as general agent.

The Los Angeles Fire was organized in 1910. In 1911 the premium income was \$26,125; in 1912, \$50,302. Altogether, up to Jan. 1 of this year, \$81,971 premiums were collected and \$17,044 losses were paid. Losses incurred appear to have been about \$26,000. Expenses were \$86,653. Losses incurred and expenses up to January 1 of this year amounted, apparently, to about \$30,000 more than the premiums. Expenses have been some \$5,000 more than the premium receipts.

On January 1 the company had \$348,997 assets, of which \$243,500 was capital and \$59,515 net surplus. Expenses for 1912 were over 100 percent of the premiums, in the previous year 110, in the first year 112. Four-fifths of the business was in California.

What have the stockholders lost? First, the organization expenses of the Los Angeles Finance Co., say \$30,000; second, the \$5,000 expenses in excess of premium; third, the \$17,044 losses paid; fourth, say, \$5,000 losses unpaid on January 1; fifth, say, \$20,000 paid the reinsurer; sixth, any excess losses in 1913. The total appears to be about \$80,000 at least, and more likely \$100,000.

The Home of New York advertises:

"Notwithstanding a wholly unwarranted insinuation to the contrary, which appeared on the editorial page of the September issue of the American Agency Bulletin, the Home does not approve, practice or permit overhead writing, and every agent of the Home knows it."

CLASSIFICATION

From an Address by U. S. Manager E. G. Richards of the North British & Mercantile

The quality of a company's underwriting management is indicated by the loss ratio of its business. If, through skill, long experience and sound judgment, its underwriting record is exceptionally good, it is because of those qualities in its controlling minds that make for success.

Mix or combine such a record with that of a less, or a more successful office, and the mixture is of no value to either.

If I have the portrait of a friend, I value it most if it is an exact likeness; I want no composite of himself and others.

The classification results, whether by agencies and states or by classes, will show the effect of this personal element, whatever it may be.

You can understand from the foregoing why I am not a believer in the combined classification of two or more separately managed offices.

I have found that these statistical accounts of agencies furnish us our "first aid to the injured"; our classification accounts are second "aid"—and by this is meant if the business proves unprofitable in any state or territory, our first means for analyzing and locating the cause or causes is found in our accounts of business classified by agencies. The second and equally important analysis is found in our classified accounts of business by occupation and these are valuable chiefly as a general guide in the selection and acceptance of risks; but beyond this we find such statistics have little practical value.

The assertion is a common one that the premium paid by the assured is based upon loss cost; that fire insurance rates are based upon the combined experience of all companies, and without such combined experience the fixing of correct rates would be impossible. Only recently a prominent official, having a wide experience as well as familiarity with this subject, has publicly stated that classification figures should be the basis of schedule charges! Some insur-

ance officials have gone so far as to advise the passage of laws which would compel the fire insurance companies to furnish to the state their classified experience.

Now, the marvel of it all is that never, within my knowledge, has an attempt been made to prove or disprove such theories by recourse to actual classified experience.

If such a test be made, I believe there will be but one result.

With this purpose in view, I will submit some of the actual experience accounts of the companies that I represent, to aid us in reaching a conclusion. Before doing so, I will give a brief outline of our own classification system.

What I have to present is largely an outline of the system which has been in use for more than twenty years—first, by the company I formerly served, and, since January 1, 1900, by the companies I now represent. It may not be as good as some, and perhaps better than others.

The system is based upon a division of premiums according to the occupancy of the property insured, the losses (whether from inherent or exposure hazard) following the classes to which their respective policies were originally assigned. These classes or groupings number about two hundred and fifty, and necessarily under some heads are included other similar occupations to avoid an extreme and useless number of subdivisions. Even then, each of the two hundred and fifty classes is subdivided into "protected" and "unprotected", thus increasing the subdivisions to five hundred; then into states and territories, again increasing the subdivision to not less than twenty-four thousand. The practical impossibility of giving to every occupation a separate grouping, whatever its importance as a premium producer, will be quite apparent. A most useful grouping of classes is made under five general heads as follows:

NON-HAZARDOUS
Nos. 1 to 60.

MERCANTILE
Nos. 61 to 100.

MANUFACTURING SPECIALS
Nos. 101 to 190.

AUTOMATIC-SPRINKLERED RISKS
Nos. 191 to 200

NON-MANUFACTURING SPECIALS
Nos. 201 to 250

Under these five groupings of specific classes, most of our work of analyzing the business received from agencies is done. The business of an agency thus grouped indicates its general character, and if the agency has been unprofitable, from what general classes our losses have come.

We now turn to final or completed results for substantial evidence of the value of classified experience. Doubtless we will all agree that such accounts are valuable as profit and loss exhibits of different occupations or businesses. That these accounts, if covering a sufficient term of years, will indicate whether the rates obtained have been sufficient for a fair profit, is self-evident, but let us see if they are of any value for rate-making purposes.

I have had prepared for this occasion the actual experience for ten years of a considerable number of classes as shown upon the books of the North British & Mercantile Insurance Company, from which I have selected the following for your consideration:

- Three-year dwellings.
- Five-year dwellings.
- Mercantile stocks—retail.
- Department stores.
- Department stores (sprinklered).
- Clothing factories.
- Cotton-mills.
- Cotton-mills (sprinklered).
- Printing-offices, including lithographing.
- Woodworkers (sprinklered).

Adjusters who do not read court decisions repeat the errors of other adjusters.

Fire underwriters of the genuine kind will watch closely the effects of the new low tariff rates on manufacturing and merchandising. If large amounts, in excess of the usual importations, are brought into the country from abroad, factories and wholesalers may be disturbed by the influx, and factory towns may be seriously affected. The new tariff is the lowest since the '50s, and its effect on values, wages, employment and fire losses will be watched closely

and with some concern. Considerable time must elapse before conditions will become normal.

An Occasional Rate War Is Better Than State Rate Making

The beginning of fire insurance rates by state bureaus or commission was made by organized local agents, and all principal support of such legislative enactments ever since has been given by similar associations affiliating with the national association. The culmination was the demagogues' law in Missouri and the immediate withdrawal of all the decent non-resident companies.

Rate wars,—damaging to the companies, and far more damaging to the victims, the local agents,—suggested, finally, the remedy of rating by the state, with obligations to maintain such rates and report their loss experiences. The locals thereby leaped from the frying-pan into the fire. The state remedy was worse than the occasional rate-war disease. Rates were lowered far too much, many risks were refused insurance, and the local agents' commission income was reduced materially.

The companies continued business in the government rate making states at a loss of millions, and the insurance departments of other states have now under consideration a law or rule denying a license to any company which continues to write business in any state imposing restricted unprofitable rates. It is assumed, with much reason, that the extraordinary losses in such states are paid only by imposing unjustly high rates in the profitable states.

These preliminary lines lead up to the assertion that—

Local agents have lost more by state rate making than by occasional rate wars!

And this loss is permanent.

In an action on a fire insurance policy, where the policy was not offered in evidence, and there was no proof of its contents, a judgment for plaintiff could not be sustained.—Fidelity Phenix Fire Ins. Co. v. Sadan, 159 S. W. 137.

California Fire Business in 1912

Present Population 2,550,000

Reported to The Coast Review

Company	Written	Prem's	Losses	Company	Written	Prem's	Losses
			Incur'd				
Aachen & Munich	\$ 151,899	\$ 3,237	\$ 209	Merchants	691,366	6,925	8,435
Aetna	35,906,001	561,607	172,776	Merchants Fire Ass'n	2,349,862	40,165	14,144
Agricultural	9,130,560	147,643	50,792	Michigan F. & M.	3,359,136	52,347	24,418
Alliance	4,083,652	61,232	19,447	Michigan Commercial	2,374,690	38,477	11,913
American	10,022,143	153,741	50,424	Minnesota Underwr.	840,143	11,378	3,526
American Central	8,144,921	127,371	38,657	Nassau & Dutchess	599,314	9,926	8,435
American Union	4,402,190	85,095	24,194	National Ben Franklin	4,876,489	79,961	26,851
Arizona	165,340	3,191	1,386	National Lumber	557,041	11,190	6,813
Atlas Assur.	13,753,263	215,979	65,151	National Fire	22,233,987	350,749	113,303
Austin	1,933,253	34,605	14,386	National Union Fire	24,833,253	359,640	119,872
Caledonian	7,253,226	130,355	41,198	Newark	1,622,083	24,907	5,308
Caledonian-American	472,805	5,844	359	New Brunswick	4,508,850	77,145	18,707
California	18,317,998	291,161	76,136	New Haven Underwrs.	800,000	13,074	748
Camden Fire	1,780,417	29,070	18,801	New Jersey Fire	3,070,282	42,915	16,465
Capital	927,314	14,367	749	New York Underwrs.	11,585,926	191,997	86,437
Century	358,200	4,341	129	New Zealand	17,166,781	285,913	75,803
Citizens	4,141,603	73,224	45,527	Niagara-Detroit	2,414,660	44,127	11,088
City of New York	4,150,920	62,981	21,530	Niagara Fire	12,997,476	219,549	79,871
Colonial	5,563,109	95,783	22,632	Northwestern Mutual	13,437,106	143,428	22,126
Commonwealth, Tex.	1,933,253	34,605	13,134	Northwestern Nat'l	14,461,108	171,337	56,315
Commonwealth	1,461,401	17,617	1,076	North River	6,762,580	111,184	38,693
Com'l Union Assur.	11,532,687	187,626	39,491	North Brit. & Merc'tle	26,417,892	379,592	116,208
Com'l Union Fire, N.Y.	1,036,157	15,003	2,938	Northern Assurance	21,321,146	351,483	121,694
Concordia Fire	4,634,245	80,570	25,729	Northern	836,371	13,319	6,307
Connecticut Fire	15,857,243	260,492	101,229	Norwich Union	848,470	14,581	1,742
Continental Fire	34,486,142	436,265	113,899	Occidental	343,179	5,732	2,699
Delaware Und.	154,870	2,474	1,224	Orient	5,572,842	79,050	32,639
Detroit F. & M.	119,900	1,224	1,224	Pacific	856,615	15,692	12,416
Dixie Fire	2,599,802	51,375	38,121	Palatine	6,309,023	99,956	38,945
Dubuque F. & M.	3,050,420	53,809	16,937	Pelican	1,840,093	29,684	11,536
Eastern Underwr.	2,512,877	43,540	16,454	Pennsylvania Fire	11,019,895	192,877	67,361
Empire City	883,924	16,425	13,629	Peoples National	2,151,738	36,423	15,245
Equitable F. & M.	3,121,360	53,422	15,891	Philadelphia Underw.	5,311,382	75,775	34,644
Fidelity-Phenix	12,712,138	177,599	60,340	Peoples National	2,151,738	36,423	15,245
Fire Association	8,953,845	151,727	38,162	Phoenix Assurance	13,715,699	218,644	79,211
Fireman's Fund	31,302,775	540,633	214,585	Phoenix, Hartford	19,263,255	305,542	65,228
Firemens, Newark	6,187,421	114,929	49,622	Providence-Wash	6,827,858	109,468	32,636
Franklin	582,647	7,441	1,567	Prussian-National	11,926,889	173,506	97,579
Franklin Fire	4,902,469	77,601	42,802	Queen Ins.Co.of Amer.	21,502,002	346,924	152,102
German Fire	1,169,491	22,207	15,645	Reliance	3,170,388	52,091	32,710
German, Pittsburg	2,906,605	49,264	28,855	Republic Underwrs.	3,866,606	69,211	26,268
German Alliance	1,517,354	24,911	8,716	Rio Grande	50,205	1,142	203
German-American	25,834,926	398,710	130,483	Rhode Island Fire	516,302	5,214	660
German-Amer., Penn.	136,118	2,091	5,822	Rochester-German	6,753,339	99,773	35,519
Germania Fire	1,411,025	23,046	19,399	Royal	44,353,644	716,067	242,877
Girard F. & M.	3,726,631	58,800	30,268	Scotch Underwrs.	617,485	9,119	4,738
Glens Falls	6,269,111	93,634	61,378	Scot. Union & Nat'l	9,160,127	151,032	54,645
Globe & Rutgers	8,315,465	129,535	2,627	Security	6,752,665	102,444	31,284
Globe Underwriters	903,084	11,119	7,499	Southern States	91,255	2,543	1,134
Greenwich	408,484	9,531	657	Sovereign	457,316	8,873	5,630
Hamilton Fire	427,886	7,431	35,792	Springfield F. & M.	21,432,854	360,350	126,260
Hanover Fire	4,072,942	63,782	250,154	St. Paul F. & M.	9,338,096	138,723	52,438
Hartford Fire	44,697,880	619,225	304,928	Standard	1,778,645	24,636	8,229
Hartford Fire	44,697,880	619,225	304,928	State Assurance	738,965	11,148	3,301
Home, N. Y.	65,735,987	878,094	7,421	Stuyvesant	1,694,585	29,690	12,484
Home Fire, Utah	930,527	15,543	63	Sun of London	17,554,484	265,120	79,606
Humboldt Fire	535,809	9,022	17,268	Sun of N. O.	665,568	11,914	5,946
Ins. Co. State of Penn.	2,311,429	45,348	72,528	Svea	5,294,608	96,720	51,055
Ins. Co. North America	15,490,976	252,268	7,170	Teutonia	2,381,632	40,782	12,291
International Fire	411,048	10,480	33,443	United Firemens	2,464,761	42,689	25,054
Jefferson			30,703	Union Assurance	13,461,969	205,545	89,901
Law Union & Rock	5,205,585	68,844	12,441	U. S. Fire	1,501,519	24,202	3,338
Liv. & Lon. & Globe	40,866,200	612,341	66,647	Vulcan Fire, Oakland	1,845,130	29,869	1,018
London Assurance	22,821,804	371,851	6,226	Vulcan, N. Y.	60,398	1,739	8,829
London & Lancashire	17,169,390	249,973	7,724	Westchester Fire	5,790,995	94,553	78,829
Los Angeles Fire	1,828,803	31,310	11,809	Western Assurance	6,619,209	105,391	41,864
Lumber	429,880	7,724	7,151	Yorkshire	2,954,996	42,620	1,134
Mechanics & Traders	2,385,577	38,054	1,276				
Mercantile F. & M.	73,597	3,564					
Merc. F. & M. Und.	1,139,168	13,911					
				Total California	\$1,016,782,635	\$15,961,765	\$4,942,706
				County mutuals (21)	\$11,011,446	\$112,098	\$53,269
				Other state mutuals	5,274,268	167,628	30,670
				Total mutuals	\$16,285,714	\$279,726	\$83,939
				Total fire figures	\$1,033,068,349	\$16,241,491	\$5,026,745

The totals are those of the California state report. The loss incurred ratio was 31 percent. The average premium rate was about \$1.59 per hundred.

In addition to the foregoing, eight fire and automobile interinsurers wrote \$16,219,792, collected \$159,903 premiums and paid \$20,-125 losses.

Surplus line brokers procured \$3,635,792, for \$54,703; canceled \$929,675 and returned \$7,207 premiums.

Ratio of losses incurred to premiums received, 31.

Marine.—In 1912 surplus line brokers procured \$4,394,705 for \$53,966; canceled \$274,-099 and returned \$4,719 premiums.

Local Agents Meet in Cincinnati

The national association met last week, with a very large attendance. This was the eighteenth annual meeting. Every meeting shows preponderance of a better spirit. The old labor union spirit seems dying out in the national body—if not in California. The registration was over half a thousand. The president favored legislation against underwriters' agencies.

Amalgamation with the casualty association was recommended and is probable, the word "fire" to be removed from the title.

Bonds and Stocks Low and May Be Lower

The slump in securities continues. Transfers in Wall street are far, far less than they were a year ago. It is a safe time to buy, with good judgment, but it is not likely there will be any real recovery in values this year. We are therefore of opinion that several more companies will reinsure before January 1.

Quotations of securities, of bid and asked, are more or less misleading, for cash sales do and will occur at much lower figures, where sales must be made. While "depression" is world wide, at least as regards money, conditions in the United States are also unfavorably affected by tariff changes, by the new currency bill, and by the revolutions in Mexico. These conditions were unavoidable. They were overdue.

The 28 percent reduction in the tariff has doubtless been discounted by manufacturers and merchants, who have regulated their makings and buyings by the certainty of lower prices. Insurance premiums may be no lower, but the effects on fire losses remain to be experienced. Will lower wages, strikes, idle mills and diminished merchandizing increase the moral hazard? This is the first time since 1860 that there has been a radical reduction in the United States tariff rates. The situation is therefore new and we can only speculate as to results.

Insurance solicitors, however, may proceed on the sound assumption that the sums to be written will be as large as ever, for values to be protected are as large as ever, and personal risks are the same, and the need of life insurance is not any less.

California Forest Fires.—In 1912 there were 206 lightning-caused fires in the national forests of California. Thus far in 1913, as District Forester Du Bois reports, there have been 757 fires in these forests from the same cause. Last year's total of all fires in the forests was 813, and for nine months of this year the total is 1307. Electrical storms without rain have added to the fire dangers. Among the causes this season were the burnings of 48 SAWMILLS. Altogether, 100,654 acres of land was burned over. Locomotives started 49 fires. Two dry years have brought about very dry undergrowth and dry streams.

San Francisco Water.—The board of health reports pure water in the reservoirs but a low supply, especially on the peninsula. Crystal Springs lake is 40 feet lower than ever before. There is no present danger of a water famine.

The Hartford Agent for Oct. 1913 has a picture of the "back" of a policy issued by the Hartford Fire to Abraham Lincoln, Springfield, Ill., for \$3,200, premium \$24, policy fee \$1, survey \$1, expiring February 8, 1862. This good ad appears in the magazines this month.

U. S. coupon 2s are 95 offered.

FIRE UNDERWRITERS AGENCIES

Present Total is 64

- Allegheny Fire Underwriters
Humboldt Fire
- American Underwriters
Ins. Co. of State of Penn.
- Atlantic Underwriters
City of New York, Commercial Union of
N. Y., and Westchester
- Ben Franklin Underwriters
National-Ben Franklin
- British Underwriters
Scottish Union and National.
- Cincinnati Underwriters
Eureka F. & M. and Security of O.
- Colonial Fire Underwriters
National Fire.
- Columbia Fire Underwriters
National
- Commercial Underwriters
Home Fire of Utah.
- Connecticut Fire Underwriters (organizing)
Phoenix of Hartford
- Delaware Underwriters
Westchester.
- Duquesne Underwriters
National Union.
- Eastern Underwriters
Camden.
- English American Underwriters
London & Lancashire.
- Equitable Insurance Alliance
Phoenix of Hartford and Equitable F. & M
- Exchange Underwriters
Royal Exchange Assurance.
- Factories Underwriters
Factories of Toronto.
- Federal Underwriters
Potomac and Franklin Fire
- Fidelity Underwriters
Continental and Fidelity-Phenix.
- Firemen's Underwriters
Firemens of New Jersey.
- Fire Underwriters Policy of the National
National of Ohio.
- German Alliance Ins. Assn.
German American and German Alliance
- German Underwriters
Milwaukee Mechanics.
- Girard Underwriters
Girard F. & M.
- Globe Underwriters
Globe & Rutgers Fire.
- Guaranty Underwriters
Aachen & Munich.
- Hand-in-Hand Underwriters (being organized)
Commercial Union, Palatine, and
Union Assurance.
- Hawkeye Underwriters
Fireman's Fund.
- Home Underwriters
Home of New York.
- Hudson Underwriters
Lumber.
- Illinois Underwriters
Hanover Fire.
- Insurance Exchange Underwriters
Mechanics.
- Insurance Underwriters
Ins. Co. State of Penn.
- Inter-Colonial Fire Underwriters
Rimouski Fire.
- Jersey Fire Underwriters
American of Newark.
- London Underwriters
London Assurance.
- Keystone Underwriters
Union, German, German-American and
Western of Pittsburg.
- Lumber Underwriters
Home Fire of Ark.
- Mercantile F & M. Underwriters
American Central.
- Mercantile Underwriters
Merchants Fire of Colorado.
- Merchants Underwriters
Home Fire of Ark.
- Minnesota Underwriters
St. Paul F. & M.
- National-Commercial Underwriters
First National and Commercial of
Washington.
- New England Underwriters
Capital Fire of N. H.

New Hampshire Underwriters
New Hampshire Fire.

New Haven Underwriters
Security.

New York-California Underwriters
City of New York and California.

New York Underwriters
Hartford Fire.

Niagara-Detroit Underwriters
Niagara Fire, Detroit F. & M. and Michigan F. & M.

Northwestern Underwriters
Northwestern National.

Nova Scotia Underwriters
Home of New York.

Pacific Underwriters
New Jersey Fire, Austin and Commonwealth.

Penn Underwriters
German American of Pa. and New Jersey Fire.

Philadelphia Underwriters
Ins. Co. of North America and the Fire Association.

Pittsburg Underwriters
Humboldt, National-Ben Franklin, Teutonia and Allemannia.

Protector Underwriters
Phoenix of Hartford.

Providence Underwriters
Providence, Washington.

Prussian National Underwriters
Prussian National.

Republic Underwriters
Commonwealth and Austin.

Rochester German Underwriters
German American of New York.

Scotch Underwriters
Caledonian.

Stuyvesant Underwriters
Stuyvesant.

Sun Underwriters
Sun Insurance Office.

United States Fire Underwriters
Nassau & Dutchess, North River, U. S. Fire and Williamsburg City.

Pacific Coast Interinsurers Fail

Long in Difficulties, This Speculation Levies an Assessment and Gives Up the Ghost

Down from Spokane drifted Harlow Hewett, who preferred an easy job as the manager of an interinsurers "reciprocal exchange" of "individual underwriters" composed of small dealers looking for cheap insurance. He found an angel at Palo Alto, near San Francisco, and together they launched the humbug later known as the Pacific Coast Interinsurers. At first it was the Retail Hardware Dealers, and afterward the Retail Otherthings. The Coast Review at that time analyzed the peculiar contract made with these people as attorneys, the expenses to be limited to 25 percent of the premiums, and the shadowy promised benefits to be payable only after the establishment of a reserve fund.

These profits never materialized.

The expenses instead of being limited to 25 percent mounted to 63 percent.

One angel flew away, and, as we are told, J. F. Parkinson then flew to the rescue. But he grew weary, and left Harlow Hewett to face the dismal music. Finally H. H. got into trouble with a similar Los Angeles concern and turned over the management to them.

The Los Angeles fellows (B. C. Fischer, secretary) gave the four-year-old infant the usual remedies, and now the state insurance department has administered an overdose of soothing syrup. The infant will wake no more but the poor unfortunate policyholders must pay the expenses of the final wake. No flowers; low slow music; exit Harlow Hewett.

Everything has happened just as the Coast Review predicted. A number of San Francisco grocers and other small dealers accepted the so-called indemnity of this snide scheme, in spite of the warnings of this journal repeated to them by brokers. Expenses ran high up and promised dividends were never paid; the policyholders assumed extra liabilities for a foggy promised dividend, and they must now pay a large assessment or be haled into court.

The management was incompetent; business was accepted all over the Coast, in remote and unsuspected localities; there was

no fund to meet unusual losses; there was no investigation of the affairs of the "exchange"; there was no supervision by the state. Yet sensible small grocers, druggists, hardware dealers and other merchants risked their security against fire loss by becoming "underwriters" of others' risks through the attorneyship of men too incompetent to procure employment in a regular insurance office.

Mutual Fire Insurance

The Mutual Company Must Specialize, Limit and Economize, and Collect in Advance Without Fail, or Else It Will Surely Fail

Any guaranty against loss by fire which is made on the mutual contribution plan is not a true guaranty, because it lacks the essential element of security, which is money in hand in excess of existing and probable loss claims. Any claim which depends for its payment on a future collection from reluctant policyholders is an unsecured claim, and as it is not guaranteed such claim is not one of insurance but of relief. Mutual insurance so-called is merely mutual relief, uncertain both as to quality and quantity.

The proof of the pudding is the eating thereof. The proof that we offer is the publication in the Coast Review, in recent years, of the failure of more than 500 mutuals, named by us, all of which left unpaid fire loss claims—claims that were never paid, except by a very few whose receivers collected, by court processes, from sore policyholders enough to pay a part of the claims due.

These are facts, all duly recorded in detail in these pages in the past.

In these same years we have recorded the retirement of some 200 stock fire companies, nearly all of which reinsured all outstanding business and paid all outstanding losses. The exceptions were chiefly those few companies which failed outright because of the Baltimore and San Francisco conflagrations.

As a rule the failure of a stock company causes a loss to the stockholders only and not to the policyholders, whose interests are fully protected by legal reserve funds and by capital and surplus.

Usually the stock company retires because

it cannot make money; whereas, the mutual retires because it has lost money and cannot pay its debts.

The seeming success of a mutual is an illusion. It has never been tested in the crucible of fire.

The continued survival of a mutual depends on the prevention of fire.

Fires can be prevented, or the losses be confined to nominal totals, by superior construction, cleanliness and regular inspection, and the protection of automatic sprinklers. So-called mill mutuals, which are joint partnerships paying premiums in advance and creating large surplus funds, require a high grade of slow-burning construction, full automatic sprinkler equipment and complete cleanliness of the insured property. There are regular, expert and expensive inspections, and if every required improvement is not made and every regulation is not complied with, the protection of insurance is at once withdrawn.

This sort of special protection is not possible for the fire mutual of the Middle West and the Pacific West. Buildings in this great "frame" land must be insured as they are, and it is not possible to restrict business to sprinklered risks. No building will be reconstructed and made almost fire-proof merely to get the low rates of, and the regular inspections by, a mutual which specializes a single class of risks.

There can therefore be no comparison between the ordinary fire mutual of the West and the mill mutual of the Atlantic Coast. The latter, with large funds, insures sprinklered brick and stone and iron buildings which will probably never burn; the former, with nominal funds, insures buildings of all inferior sorts which will probably burn, such as the frame range, the fire trap lumber yard, the dwelling rookery, the sway-backed barn, and the decaying road house or shop.

It is not very long since such a mutual, with headquarters in Portland, Or., failed and left loss claims which never will be paid. "They are all doing it."

The true function of a legitimate mutual is not to compete with stock companies, but is rather to select and educate and indemnify

a small group of known honest men of a single class, and conduct its business at small expense and with no profit to anybody concerned. There will then be no exorbitant claims nor incendiary fires nor sympathetic juries anxious to "beat the rich corporation" and willing to pay the poor farmer or struggling merchant more than his actual loss by fire under the policy.

When fire losses are few the town, county and general mutuals flourish like a California laurel; when fire losses come fast and large in totals, these mutuals wither and die in the fierce heat, literally by the hundred. A period of numerous and wide spread fire losses seems now beginning, which will cause the failure of many fire mutuals.

No mutual which does a general business can survive.

In the West fires can not be prevented by any possible system of inspection and prevention because there are not enough of any one class in slow-burning construction.

No fire mutual doing a general business in widely extended territory has ever made a permanent success.

San Francisco Auxiliary High Pressure System

To the Officers and Members of the Civic League of Improvement Clubs and Associations of San Francisco:

Your committee on fire insurance, fire protection and fire department begs to report as follows:

The Fort Mason pumping station, known as Station No. 2, is now in commission, a working test having been made in the presence of engineers and others interested.

Two manifolds are in commission, one at the foot of Powell street and one at the foot of Washington street. We suggest the placing of the two additional manifolds still on hand, say, one at the foot of Greenwich and the other at the foot of Howard street.

The crew required for the maintenance of the high pressure system will be, judging by the proceedings on the part of the board of supervisors, fully arranged for on Friday, the 17th inst.

We recommend the extension of the system out to the Richmond and Sunset dis-

tricts, there being something like twenty miles of pipe left out of the inside sections.

Respectfully submitted,

G. Trittenbach, Chairman.

First National Fire Prevention Convention

Last week there met in Philadelphia the first national convention in the interest of fire prevention. Fire marshals, fire commissioners, inspection bureau managers, fire engineers, insurance commissioners and fire underwriters were present. The convention lasted six days.

The gasoline stove is always dangerous, as the mourning family at 104 Fourteenth st., San Francisco, now know.

Marine Loss.—The steam schooner *Merced* thrust her nose among the rocks on the north California coast, and the rocks would not release her, and for some years her bones will bleach in the sun at low tide. This beats a fire or an auction.

Marine.—"Reinsurance" rate on El Dorado, from Portland, Or., for Antofagasta (spoken April 16) is 90 guineas percent; Rondane s., ashore at Reval, 60.

Another Tragedy of the Sea.—Radiograms called ten ships to the rescue of the burning *Volturno* near where the Titanic slid over an iceberg, but towering waves prevented aid for sixteen hours. Of 657 persons aboard 521 were finally rescued, leaving 136 to perish in fire or sea. The doomed steamer burned for 24 hours. A furious gale forced the flames despite the beating rain. The boilers exploded and then the storm subsided. Whether the hull sank is not yet known.

Though no rain up to now (October 21) in California, the water in springs and wells is rising.

Bad Checks.—Throughout the country bad checks are being drawn on the First National Bank of Paducah, Ky., signed by the E. E. Sutherland Med. Co. These bad checks are being passed on merchants and other trusting folks.

LIFE, CASUALTY, ETC.

Large Reduction of Surplus of the U. S. Fidelity & Guaranty Co.

From Coast Review Extra

The Maryland and New York insurance departments recently made a joint examination of the U. S. Fidelity & Guaranty of Baltimore, as announced in a Coast Review extra, with a reduction in net surplus of over \$645,000 below the company's figures as of December 31, 1912.

Uncollected premiums were \$220,718 against \$135,537 reported. The reserve for losses was estimated by the company as \$994,814, and by the examiners, \$1,567,655.

The examiners make the decrease and increase and net decrease in surplus as follows:

Decrease in surplus:	
Bonds and stocks	\$ 19,971
Premiums in course of collection	85,181
Accounts in suspended banks	14,767
Subscriptions department, guaranteed attorneys	1,845
Losses and claims	572,841
Liability loss reserve	71,274
Unearned premiums	7,418
Bills and accounts due and accrued	17,188
Due to stockholders	17,817
Return premiums	2,375
Collateral deposits	9,615
Reserve department guaranteed attorneys	11,205
Real estate expenses	3,865
Claims for personal injuries	4,000
<hr/>	
Total decrease	\$839,362
Increase in surplus:	
Real estate	\$ 3,704
Bills and accounts receivable	13,256
Interest	605
Salvage	114,781
Renewal premiums	51,093
Commissions	7,351
Tax on premiums	3,500
<hr/>	
Total increase	\$194,290
Net decrease in surplus	\$645,073

Share prices fell off very much but are now recovering.

Bulletin For Life Agents

State of Utah, Insurance Department.

Salt Lake City, Utah, October 17, 1913.

Supplementing the bulletin issued by this department on August 30, I wish life insurance agents to understand that I will not approve or condone any agent's becoming a party either directly or indirectly to the apsing of legal reserve insurance now in force. In some instances the policyholder who lapses his policy and takes another offers to assume all responsibility; but the agent is essentially the confidential and professional adviser of the insured, and can not be relieved of responsibility no matter how willing the insured may be to assume it.

If, therefore, any manager or agent knows of cases where legal reserve policies are in danger of lapse and replacement, it is urgently requested that such cases, no matter how small or how large, be brought immediately to my attention. Every endeavor is being made to conserve life insurance now in force and prevent its being disturbed; and any agent who knowingly becomes a party to lapsing, will be held responsible by this department.

Instances even of indirect "twisting" by Utah agents are very rare, and the last vestige of this practice must disappear.

Willard Done, Commissioner of Insurance.

Life and fraternal men are criticising the Equitable Life and its Aetna Life imitator for insuring lives without medical examination and in groups at cut rates. It is asserted that such practice is not only unethical and unfairly competitive, but is unfair to the regular solicitors and to other policyholders. The higher mortality rates of these groups insured without medical examination, it is also said, will reduce the dividends of the policyholders of these companies. The upshot may be a law prohibiting such group-no-medical-examination insurance. We are reminded of the fact that many years ago the New York Life took over a fraternal insurance society without medical examina-

tion. Long after, when we mentioned this fact, one of our contemporaries said it was not possible that the New York Life or any other company could do anything so dangerous and unethical as to insure a group of lives without medical examination.

Over Half Billion in Death Claims Paid by Mutual Life

In seventy years the Mutual Life Insurance Company of New York has paid to the representatives of its policyholders who have died, the enormous sum of \$501,963,657.38, and still holds for its policyholders to meet the obligations of the future over \$600,000,000. In addition the company has paid to living policyholders matured endowments with dividends \$128,731,636.61.

No Bogus or Forged Connecticut Mutual Policies

President John M. Taylor announces in references to the sensational rumors concerning its late general agent at Boston:

"The policyholders of the company have no reason to be disturbed by the newspaper reports relating to the loss to the company because of the alleged issue by Mr. Williams of bogus or forged policies, for nothing has come to the company's notice to warrant the belief that Mr. Williams issued or could issue any bogus or forged policies, or that the company will lose one dollar because of Mr. Williams' acts or transactions."

The press criticisms of the company have seemed very much forced.

Two Years for Trying to Defraud Life Company

A Montana rancher, Arthur F. Hughes, didn't murder anybody, but he insured his life, and then robbed a new grave, took the corpse home, buried it in the snow, waited a while, placed the body on his bed, set fire to the house, and then disappeared. That's not all. His "widow" collected the insurance money, and married another man. This should have allayed all suspicion but it didn't. Hughes was arrested in the East, brought to Billings, and there pleaded guilty. The court sentenced him to two years of penitential reflection on the absurdity o

trying to swindle a life insurance man or company. The "widow" and her "husband" are in jail, pending trial, the one for bigamy and the other for conspiring to defraud.

United Life and Accident Ins. Co. of the Pie-for-Breakfast State

Promoters of this venture are circularizing the Coast with invitations to apply for information in detail regarding opportunity to acquire one of a limited number of ownerships in the United Life and Accident Ins. Co. of New Hampshire. Probably if you are an agent you will be promised an agency.

Only 17 of these priceless ownerships are allotted to California, but of course if you are 18 the gates of the profits will not be slammed in your face.

Good Yankee names these of the organization committee:

Carr, Hill, Hollis, Jameson, Porter, Reed, Stillings, Spaulding, Upham.

These fellows of the Order of Do Them First are leading business men of the hard Granite state—leading into temptation.

We turn down their invitation because they dangle this lure:

Profits from life insurance:

Ten original \$100 shares in the Union Central are now worth \$40,950.

Ten original \$100 shares in the Aetna Life are now worth \$52,896.

Ten original \$100 shares in the Metropolitan are now worth \$148,240.

Ten original \$100 shares in the Prudential are now worth \$248,000.

An Example of Beneficent Life Insurance

In 1851 Noah K. Barnum insured for \$5,000 in the Mutual Life Ins. Co. of New York. This year he died. In all these years the company was ready to pay his family \$5,000, and additions. The policy and additions amounted to \$14,148. Mr. Barnum surrendered \$4,328 of the additions to pay premiums. The company paid the heirs \$9,820. This is a return of \$6,162 over cost. The net amount of premiums paid was \$3,658.

Home Life's New Contract

A new policy by the Home Life of New York is sold in the sum of \$3,000 or multiples thereof. This policy pays a monthly income of \$25 (or commuted at \$2,596) per \$3,000. Rates are issued for premiums payable to age 60, or for ten-premium payments, or for twenty-premium payments. A monthly income is provided for from age 60 to 70.

Hereafter, ages 17 to 20 will pay lower premiums according to age.

Interest payable on dividends left with the company will hereafter be $4\frac{1}{2}$ percent.

Limited payment policies may be endowed with an optional endowment clause. A trust fund clause may be attached to all policies at the option of the assured.

The Home Life is certainly filling long-felt wants. It is issuing 20th century contracts.

Dryden Statue a Gift of 16,000 Prudential Employees

The Dryden memorial statue, in the rotunda of the Prudential's home office building, was unveiled recently. The presentation ceremonies were held in the presence of members of the memorial association, composed wholly of employees and officials of this great industrial life company. Over 16,000 people contributed to the cost of this statue of the founder of the Prudential. The amount of each contribution was limited. The statue cost some \$15,000. It is the work of Karl Bitter, the sculptor, is of bronze and is a little more than life size. The granite pedestal is four and a half feet high. The attitude of the figure is that of a speaker addressing an audience. Among many interesting things placed in a copper box in the pedestal was a copy of the first advertisement of the company printing the Rock of Gibraltar, published in August, 1906.

It now seems probable that the plans to mutualize the Equitable Life will never succeed, not even if the present owners be paid the more than \$2,000,000 paid for the controlling \$51,000 of capital stock.

Delirium Tremens in the Fraternal Insurance Society

Under a beneficiary's certificate providing that it shall be void in case insured becomes "so intemperate from the use of intoxicating liquor as to produce delirium tremens," the right to the insurance is forfeited where insured gets delirium tremens from drinking intoxicating liquors, though he was not suffering from delirium tremens at the time of his death, and though his death did not result directly from drinking intoxicating liquors.—Sovereign Camp of Woodmen of the World v. Hutchins, 134 P. 1116.

World's Insurance Congress

W. L. Hathaway, commissioner for the World's Insurance Congress to be held in 1915 in San Francisco in connection with the Panama-Pacific Exposition, started for home last week, after having practically completed arrangements whereby 29 life insurance companies will hold their agency meetings, and many organizations of insurance men will hold their national meetings in San Francisco in connection with the congress. Mr. Hathaway says, "with a few exceptions all the national organizations have already appointed their representatives to sit in the national council, which will shape the plans for the congress. The first meeting of the council has been deferred until an early spring date, to be announced later." Mr. Hathaway is also authority for the statement that there is already an assured attendance of over 100,000 insurance men from all parts of the world.—Insurance World.

Not Group But Freight Insurance.—Wm. J. Graham refers to the contracts, issued many years ago by two young American life companies, whereby policies of \$15 each were placed on coolies shipped from China to Panama. These contracts he classes as the first examples of group life insurance, but they really were marine policies guaranteeing the passage money of each coolie. The shipper had no insurable interest in the coolies lives; for he was neither a dependant nor a relative nor a creditor of any of

them; and the insurance money was not payable to the Chinamen's families. Indeed, it is doubtful if these insurances by a life company were legal even in those early lawless days.

Preferred Accident and Flood Plate Glass Breakage

New York, October 6, 1913.

The Coast Review, San Francisco:

In your September issue I notice on page 430 an item regarding plate glass breakages through flood losses, and replying thereto I am pleased to inform you that this company adjusted all of its flood plate glass losses that occurred in Ohio and elsewhere this past Spring, and I beg to hand you herewith an endorsement that we have since issued on all policies written in flood districts.

This plan originated with this company, as also this endorsement, and we would be pleased to have you mention the fact in your next issue, as your views on the subject coincide with the views of this company.

Thanking you, I am yours very truly,

Charles E. Carr, Mgr. Plate Glass Dept.

ENDORSEMENT

It is understood and agreed that in case any portion of the glass hereby insured shall be broken in consequence of inundation, this company will accept liability for such loss, and condition No. 6 of this policy is hereby amended, eliminating the word "inundation."

Los Angeles.—The Southern Agency Co., general agents for the San Francisco Life Ins. Co., will on Nov. 1 move in 1129-33 Marsh-Strong building, Ninth at Spring and Main. These five offices have been specially arranged to accommodate the increasing business.

The Metropolitan Life is now paying over \$610,500 a month to its industrial policyholders as premium bonuses and mortuary additions, besides over \$2,237,000 a month for industrial death claims.

Only 6½ is bid for Western States Life stock, par 10, original cost 20 or more. This is the lowest bid recorded.

Must Not Back-Date Policies

Jefferson City, Oct. 25.—State Superintendent of Insurance Charles G. Revelle this afternoon issued an order forbidding life insurance companies from dating policies back from the time application is made in order to give them an advantage in the age limit. He says this practice, which is quite common, is contrary to the anti-discrimination laws.

Prudential Official Changes

Wilbur S. Johnson, advanced from third vice president and comptroller to the position of second vice president and comptroller. Mr. Johnson's service with the company dates back to January 3, 1880.

Edward Gray was promoted from fourth vice president to third vice president. Mr. Gray's connection with the company began April 21, 1883.

The vacancy in the position of fourth vice president has been filled by the promotion of Edw. D. Duffield, who, prior to becoming associated with the Prudential, represented Essex county in the legislature and was assistant attorney general of New Jersey.

The American Life & Casualty of Portland is in trouble.

On the reinstatement, in accordance with its terms, of a lapsed life policy, a clause making it incontestable after one year from date of issue became operative at least from the date of reinstatement, and where insured died more than a year thereafter precluded any defense by the company to an action thereon on the ground of misrepresentations in the certificate of reinstatement.—Great Western Life Ins. Co. v. Snavely, 206 F. 20.

The Association of Life Insurance Presidents gives hearty welcome to the proposal of the American Life Convention for wide and cordial co-operation between these two organizations and the National Convention of Insurance Commissioners, with an expression of hope that such co-operation may extend to all similar organizations having at heart the best interests of life insurance policyholders.

INSURANCE OF ALL KINDS

The German American of New York Insures Another Company.

The German American Ins. Co. of New York has reinsured the entire business of the Fidelity Fire of Des Moines, taking effect Oct. 16th. The Fidelity will be liquidated. The business of the Fidelity was entirely in the state of Iowa, in which state the reinsured company had 525 agents. The uncertainty of the future of the insurance business, increase in the expense item, taxes, etc., were given as the reasons for retirement. Several other companies have recently retired for the same reasons.

Fraternal Man at the Home Office of the American Surety

From Coast Review Extra

The rank and file of the fraternal orders throughout the country will be interested and pleased to learn that J. R. Adams, who has long been active in fraternal bond matters, has been appointed home office special agent of the American Surety Co. of New York. Owing to his former prominent connections with various fraternal societies, and having been a member of the National Fraternal sanatorium committee, Mr. Adams enjoys an extensive acquaintance throughout the fraternal world.

Through his connection with the American Surety Co. Mr. Adams is now in a position to offer the suretyship of the largest surety company in the world, with a special bond designed to meet every requirement of a fraternal order. It is expected that fraternal officers will be quick to realize the advantages and benefits of availing themselves of Mr. Adams's wide experience in solving their bond problems.

Realizing the importance and increasing volume of surety business to be obtained from fraternal and beneficial societies, President F. W. Lafrentz of the American Surety Company of New York has recently appointed E. W. Donovan, the retiring secretary-treasurer of the Associated Fraternities of America, as the fraternal field

superintendent of that company, with headquarters in the Majestic building, Detroit. During his long years of activity as a prominent worker among fraternal societies, Mr. Donovan has acquired an extensive knowledge of fraternal matters such as is possessed by very few men, which will enable him to render especially valuable service to those societies in connection with their often complicated suretyship requirements.

Oregon Law as to Capitalization

Capital of insurance company held not paid in in cash to the extent of \$100,000, and hence the insurance commissioner properly canceled its license to do business, and it was error to compel him to issue a new one.

Const. art. 11, § 3, and L. O. L. § 4610, held to prohibit any disposal of the stock of an insurance company otherwise than for full value, by any manipulation whatever, including loans to stockholders, the effect of which would be to impair the corporation's capital below \$100,000. — American Life & Acci. Ins. Co. v. Ferguson, 134 p. 1029.

Panama - Pacific. — The many colored prisms that will be used in the novel and striking scheme of night illumination of the Panama-Pacific exhibit palaces are of fine cut glass, made in Austria by a process not followed elsewhere. The prisms, known as jewels, are patiently tooled by hand in the homes of the artisans.

Some idea of the immensity of the palace of machinery at the Panama-Pacific International Exposition may be gathered from the fact that while it is a wooden building, the largest in the world, it will require 1,500 tons of hardware in its construction, such as nails, bolts, joint plates and the like. On October 1st the building was eighty percent completed.

Eastern Oregon had a minute's shake, which extended into Idaho, last week. No damage.

Hewitt Appointed General Agent

Dixwell Hewitt has been appointed sole general agent of the Hartford Fire and the Citizens for this Coast, succeeding the firm of Palache & Hewitt. Everybody says this is just right.

Graded Commissions in Oregon

Agents in Oregon are to have graded commissions, with 25 percent for "preferred business," but because of the peculiar laws of the state there will be no "separation." Both agents and companies sign "the papers," however, and commissions are therefore uniform. In this respect, board and non-board companies will occupy common ground.

A Britisher

Harry Homes Smith of the Law Union will soon have an additional company.

Germania Fire

A. C. Thornton, failing to get the Concordian and the German into the Board, has resigned the Germania Fire, which is now a Board company.

E. G. Halle, Western manager, is now in San Francisco. He will appoint a California state agent. Oregon and Washington agents report to Chicago.

Arthur Brown has been visiting the East, whither he took his daughter to a school in the Adirondacks.

The Hudson Bay Fire of Vancouver, B. C., has reinsured its eastern Canada business in the Northwestern National.

The California has decorated its home office building in honor of the visit of Portola and Balboa.

General Agent Berdan of the North British & Mercantile is in town and will be here until the end of the month.

Andrew Wilkie, appraiser at San Francisco, recently lost his wife by death, under more than usually painful circumstances.

Exit

But for all time the bunkum, bunko Retail Druggists Underwriters, Retail Grocery Underwriters, Retail Hardware Underwriters, Retail Harness Underwriters, Retail Merchants Underwriters, all of San Francisco, "at Pacific Coast Interinsurers," and mixed with the paints and oils of Harlow Hewett (of Texas?) The first of the rotten bunch began in September, 1908, and the last in July, 1916, as recorded in Best's.

Must Own the Fee Simple in Oregon

The knowledge of the agent of a fire insurance company that the insured did not own the fee simple title to the land cannot waive the provision of the policy, in the standard form prescribed by Laws 1911, pp. 279, 280, that the policy should be void if the insured did not own the fee simple, unless an agreement to that effect was endorsed upon the policy. — *Oatman v. Bankers' & Merchants' Mutual Fire Relief Assn.*, 134 p. 1033.

The California state industrial compensation fund is now under the management of C. W. Fellows, formerly of the Royal Indemnity. Wm. Leslie of the Pennsylvania will go with the compensation bureau as actuary.

Fruit Packeries Burn.—At San Jose, Oct. 18, packing houses of Edward Haven Co. and Castle Bros. totally destroyed at 10:30 tonight. Loss over \$90,000. Haven is a son of Chas. D. Haven, formerly Coast manager for the Liv. & Lon. & Globe.

Canada.—In the future the provinces will have exclusive jurisdiction over insurance companies, instead of the Dominion government. This ruling of the supreme court will be appealed to London.

How fared the Texas underwriter who for old friendship's sake lent Harlow Hewett \$4,000 for his interinsurers? Was there any disastrous reinsurance? Was any of the loan repaid?

LOOKING BACKWARD

Forty-two Years Ago This Month

Forty-two years ago, the 9th of October, Chicago, a wooden city of some 200,000 population, started to burn in Mrs. O'Leary's cowbarn. The cow resented a milking at a late hour for a whisky-punch, and kicked over the lamp. In the succeeding fire the fate of the angry beast was never noted. A brown October gale was blowing across the Stink river, and the fire in five minutes was beyond control. The brick buildings nestling in frames were so small and light that they had been raised twelve feet above the mud level, some time before; and they stayed the fire just as long as their frame neighbors. The fire kept burning for about two days and nights, but declined to visit the red-light district. There were no costly buildings in the city then; an 8-story quick-burning brick was an awe-inspiring skyscraper, and so the property loss was only about \$160,000,000. This was the first great fire in which insurance companies were interested. Many were bankrupted and paid little or nothing. The Fireman's Fund and Union, both of San Francisco, assessed their stockholders and paid all claims. A number of Eastern companies did the same. Only a very few foreign companies were involved. They paid up, with an insignificant exception.

Forty-four Years Ago

Before us lies a copy of the once famous Overland Monthly of April, 1869. It contains an advertisement of the Phoenix of Hartford and the Home of New York, with branch offices for the Pacific states at 424 California st., San Francisco. R. H. Magill was manager and J. D. Hawks & Co., were city agents. The Home had \$2,000,000 capital and \$3,623,896 assets. This line appears below: "the average annual percentage of cash dividends declared since the company commenced business, 16.93 per cent." The Phoenix had \$600,000 capital and \$1,318,587 assets. Both companies have increased something like tenfold in assets since then. The Germania Life advertised \$2,500,000 assets; Hugo Wesendonck was president and Cornelius Dore-

mus was secretary; Bernhard Gattel was general agent. The Equitable had \$7,000,000 assets; wrote \$47,000,000 in 1867, and issued policies from \$250 to \$25,000; "dividends made annually from the start;" "percentage of total outgo to cash premium receipts less than that of any other company whatever;" Miller & Garland were general agents for Coast, with office at 430 Montgomery, over U. S. Treasury, San Francisco. From Elko mines the Central Pacific and the Western Pacific railroads made stage connections to White Pine mines and with all parts of Nevada, Idaho, Utah and Montana. The Mutual Life of New York had a full page ad next to title page. H. S. Homons was general agent at 204 Montgomery st. Assets were \$30,000,000. Cash dividends to policyholders of 23 companies were printed, a total of \$4,711,359, of which the Mutual Life paid nearly half or \$2,236,874. Of the companies named, the following do not now exist: Widows and Orphans, North America, Charter Oak, Brooklyn, Guardian, Knickerbocker, Security, Continental, Globe, World, Worthington, Great Western R. B. Swain & Co. as general agents for California advertised the Manhattan of New York and the Phoenix of Brooklyn. Both these fire companies have ceased to exist. A poem in the Overland some of our 70-year-old readers may recall. It is "Friar Pedro's Ride." It began thus:

"It was the morning season of the year;

It was the morning era of the land;

The water-courses rang full loud and clear;

Portala's cross stood where Portala's hand

Had planted it when Faith was taught by Fear;

When Monks and Missions held the sole command

Of all that shore beside the peaceful sea

Where spring-tides beat their long-drawn reveille."

A lasso! Alas, oh, for lo, the poor Indian was converted by soldiers each armed with a lasso and charging with a charger along the bay of San Francisco shores, where now we celebrate the much mythical Portala.

Life.—The Pacific Mutual News of October is a Louisiana number, mostly New Orleans, as Norlins is mostly Louisiana.

The average fire loss ratio on the Coast to date seems about 50 percent.

The Westchester Goes to Connecticut Fire Office

We are informed that the general agency of the Westchester in this field has been placed with Manager B. J. Smith of the Connecticut Fire office.

Geo. M. Ward Appointed Resident Secretary

General Agent Berdan of the North British has appointed Geo. M. Ward resident secretary of the local department, to succeed the late John McC. Anderson.

Local Secretary Ward began insurance work with the old California. In 1891 he went with the North British & Mercantile office in San Francisco. After 1908 he was counterman, and became assistant to Mr. Anderson.

It is the policy of this company to promote every qualified employee, as occasion may offer, and Mr. Ward's appointment to his new position was therefore expected.

Law Union & Rock's New Offices

Seven windows frontage of the mezzanine floor of the new Insurance Exchange building have been rented by Manager Smith of the Law Union & Rock, who is to have an additional British company. The partitions have been removed, thus making one very large and light office. Possession will be taken in a few days.

San Francisco Fire Water

Twin Peaks reservoir, 10,500,000 gallons; Ashbury Heights tank, 500,000; Jones street tank, 750,000; pumping stations, Nos. 1 and 2, capacity of each, 12,000 gallons a minute with 300 pounds pressure a square inch; Ashbury Heights pumping station, capacity 1,400 gallons a minute; two steel fireboats, capacity of each 9,870 gallons per minute under 150 pounds pressure, or 4,900 a minute at 300 pounds; 85 new cisterns of reinforced concrete of 75,000 gallons capacity each; one double cistern of 150,000 gallons capacity; 50 old cisterns, repaired, capacity varying from 20,000 to 50,000 gallons each; 71.81 miles of castiron distributing pipe.

—The Glens Falls will cover Canada.

North British & Mercantile Reinsures Chicago Company

The Central National Fire of Chicago has reinsured its outstanding business in the North British and will continue only as a reinsurer.

Connecticut Fire in Fine New Quarters

The Connecticut Fire now occupies the west mezzanine floor of the new Insurance Exchange building, facing California street and running back along Leidesdorff. Marble steps lead directly to the office. Manager B. J. Smith and Assistant Manager Guy Francis and all the clerical staff are to be congratulated.

Surety.—Secy. Hewitt of National Surety denies press report and states that the state comptroller of Minnesota did not decline to approve the company's bonds, neither did Commissioner Preus. The matter was amicably settled and the bonds of the National Surety are being approved in Minnesota, as in all other states.

Return Commissions.—Agents of the late lamented American Union Fire are peeved because the receiver says they must make a prorata return of commission on canceled policies. The agents may go to court to prove that commissions were fully earned.

Life—Death.—The Mutual Life's oldest policyholder, recently mentioned by us, is dead, aged 98.

Life.—The Union Central invites us all to be present at the informal opening of its Cincinnati skyscraper home, November 7.

General Agent Henry is in New York.

Another Tragedy of the Sea.—The ship Centennial, returning home from Japan in 1906, was posted as "missing." This week the deserted ship is found fast in the arctic ice.

We hear that under the new management Secretary Brooks of the California is to have a better contract.

It is said that Attorney Thomas netted \$5 a share by the California purchase.

C. J. Stovel is in London.

Arthur Brown returns tomorrow.

CALIFORNIA LIFE BUSINESS IN PAST YEAR, 1912. WITH TOTALS FOR 13 YEARS

Name.	New Policies Written and Paid For		Policies Renewed.		Policies in Force Dec. 31, 1912.		Losses & Endow'ts Paid.		
	No.	Amount.	No.	Prem'm	No.	Amount.			
Etna	1020	\$2,352,433	73,235	1684	\$10,645,374	\$369,790	7221	\$15,594,007	\$275,852
*Bankers Life	257	694,000	11,209	15	11,000	1,272	11040	22,257,500	264,000
California Nat'l	321	1,046,547	38,952	200	798,650	11,636	521	1,945,197	1,000
California State	1868	7,361,500	308,819				1866	7,350,500	11,000
Columbia L. & T	51	168,117	3,287	17	22,299	1,621	68	190,416	
Columbian National	209	545,648	13,887	645	1,848,037	55,580	84	2,393,685	5,000
Connecticut Mutual	280	618,600	18,891	3460	6,811,364	206,971	3740	7,429,964	142,426
Fidelity	1198	5,235,552	192,532	12904	36,626,944	1,597,238	14322	41,605,133	963,551
Fidelity Mutual	197	560,982	20,288	1906	4,898,715	176,665	2193	3,459,697	74,174
Germania	221	712,547	25,254	2154	4,640,739	171,897	2375	5,353,286	145,704
Home	203	559,273	19,648	1717	3,648,284	149,727	1920	4,207,558	72,251
International	2	7,000		6	8,000	1,570	8	15,000	
Manhattan	152	204,944	3,029	921	1,969,441	69,068	1073	2,210,385	84,926
Massachusetts	259	869,221	26,484	1280	2,780,026	150,076	1539	3,649,247	63,381
Metropolitan	5516	5,081,629	142,852	18840	17,597,764	672,287	23,316	21,821,482	167,483
Missouri State	256	659,520	15,956	34	145,500	2,157	290	805,020	2,254
Mutual Life	1778	5,007,668	182,371	19738	48,303,114	1,555,015	22,516	53,310,792	997,652
Mutual Benefit	885	2,484,070	94,439	5153	15,128,921	584,878	6028	17,607,991	153,289
National, U. S. A.	269	1,056,557	33,176	1019	2,579,648	86,424	1288	3,636,205	
National Life	247	727,000	20,562	1993	4,671,523	152,151	2240	5,398,522	77,892
New England	489	1,246,703	47,708	5091	10,592,287	345,738	5580	11,898,900	237,743
New World	10	245,000	1,169				10	245,000	
New York Life	2922	6,315,728	239,332	20338	44,205,884	2,135,097	25287	53,390,048	1,026,328
Northwestern	1378	4,448,380	148,144	13900	35,169,343	892,855	15344	39,617,723	545,055
Occidental	1078	2,161,210	76,786	1967	4,664,402	161,183	3009	6,745,542	6,629
Pacific Mutual	2119	6,400,247	227,673	14542	31,810,855	1,372,051	20201	41,869,657	423,240
Penn	652	2,185,353	86,999	7217	19,145,706	732,725	7869	21,331,139	202,328
Philadelphia	280	1,091,502	23,278				254	979,104	
Pittsburgh	272	1,505,658	15,433	867	2,128,632	77,587	1139	3,654,290	52,441
Phoenix	477	988,727	30,870	1961	3,974,206	173,888	2438	4,959,933	98,910
Provident	532	1,542,134	37,904	3168	7,096,453	247,097	3700	8,838,587	62,415
Prudential	3036	4,434,769	113,271	8282	11,431,559	388,471	11320	15,876,311	105,703
Reliance	379	679,860	20,749	300	661,150	18,403	679	1,341,010	1,000
San Francisco	1214	3,996,085	117,644	652	1,865,650	89,768	1732	5,375,235	6,300
Scranton	380	1,006,360	22,872	368	1,078,000	26,391	420	1,143,860	3,500
Security	96	179,072	3,549	167	363,000	14,257	263	542,072	
State	79	374,205	10,447	699	3,136,042	129,347	778	3,510,247	15,000
Travelers	1016	2,322,873	59,831	3778	9,142,721	297,327	4794	11,465,597	102,661
Union Central	450	1,269,950	40,594	2290	6,062,199	281,075	2740	7,332,149	202,364
Union Mutual	158	269,000	8,770	2807	4,044,941	147,550	2965	4,313,541	55,040
West Coast Life	1267	2,291,312	86,650				3203	7,359,944	32,419
Western States	1893	4,419,350	166,206	1039	2,846,600	119,403	2932	7,265,950	29,678
Totals (Ordinary) 1912	36016	85,162,790	2,833,868	168045	367,621,349	13,884,429	209222	459,131,112	6,449,765
Totals for 1911	27279	62,352,692	2,230,718	149039	323,163,982	12,437,561	185146	402,684,980	5,526,634
Totals for 1910	24365	54,307,797	1,844,910	127128	272,729,112	11,623,919	160387	391,875,291	4,660,892
Totals for 1909	21766	48,344,166	1,535,619	113887	246,366,960	10,811,662	156225	339,255,707	4,230,314
Totals for 1908	17253	40,568,218	1,284,974	115661	246,135,206	10,282,719	141802	303,651,456	4,275,310
Totals for 1907	17130	37,219,800	1,194,165	103603	227,917,367	9,781096	141091	303,038,614	5,056,817
Totals for 1906	23734	36,284,407	1,316,215	103091	238,242,096	9,528,238	130629	295,433,138	4,141,378
Totals for 1905	32701	51,534,852	1,951,049	98969	229,573,761	8,806,008	129046	272,875,726	3,436,491
Totals for 1904	38512	59,142,784	2,319,663	71653	297,041,612	7,919,512	129946	274,704,286	3,172,813
Totals for 1903	31666	55,439,540	2,258,994	59002	174,249,091	6,653,647	107815	239,838,747	2,901,732
Totals for 1902	21283	41,508,991	1,868,163	50068	163,483,687	5,778,122	83976	200,836,670	3,086,226
Totals for 1901	15251	32,950,280	1,362,902	43203	132,736,590	4,879,136	71800	176,271,625	2,975,897
Totals for 1900	14087	29,770,386	1,250,618	7905	118,758,208	4,132,794	6100	158,157,035	2,430,649
INDUSTRIAL									
Metropolitan 1912	41780	6,954,093	95,619	181570	32,430,204	1,111,051	230982	38,375,359	323,183
Prudential 1912	36701	5,610,506	65,748	56798	8,598,512	295,866	77555	11,057,566	61,426
West Coast Life 1912	19497	2,936,365	72,547	6208	806,393	153,953	25705	3,742,758	36,063
Totals (Indust'l) 1912	97978	15,500,964	163,915	244576	41,835,109	1,560,871	334212	53,775,673	420,678
Totals for 1911	89844	13,816,386	204,644	202347	35,495,433	1,265,958	284062	46,022,104	354,378
Totals for 1910	90569	14,307,792	197,743	180033	31,979,211	1,087,672	241742	40,040,942	304,356
Totals for 1909	77104	10,647,380	125,353	151094	27,584,658	933,435	202435	34,406,886	273,375
Totals for 1908	57425	8,975,460	76,645	127825	23,857,499	848,817	165636	28,578,770	222,382
1907	53260	9,198,086	188,091	110994	21,353,411	728,496	149026	26,588,980	212,702
1906	33572	10,253,241	84,322	96839	18,536,291	656,356	125434	22,798,849	211,381
1905	45220	8,480,949	99,060	95270	18,366,288	636,645	123150	22,781,076	175,855
1904	44180	8,538,328	90,880	86106	16,712,793	576,272	112208	21,156,520	169,384
1903	43158	8,660,765	222,624	77081	14,955,494	384,451	90919	19,214,475	148,061
1902	60880	10,292,371	346,916	66098	13,104,177	447,103	92562	18,164,855	117,748
1901	82979	18,233,327					151,300	80603	13,644,260
1900	54304	10,554,720		33530	6,226,372	358,419	63876	12,000,127	6,2669

† First week's premium only.

*Assessments received on Assessment Certificates, \$292,428.

CHIPS

—Life.—The Connecticut Mutual Life gathered its principal producers at the home office and held a very profitable meeting. The business of this company has increased. Its policies are of the best, in benefits, privileges and dividends.

—The Pacific West is represented in chairmanships of the National Convention of Insurance Commissioners as follows: publicity and conservation, Willard Done, Utah; taxation, J. W. Ferguson, Oregon; miscellaneous, Jacobo Chavez, New Mexico.

—Liability.—The American Fidelity of Montpelier, Vt., the champion cut-rater and board-buster, has again pulled the stockholding leg. Hopeful suckers! Expenses and losses necessitate the raising of \$150,000, otherwise impairment. Owing to writing at slashed rates, both expense and loss ratios have been very high.

—As announced in a Coast Review Extra of October 3, the proposed amalgamation of the Phoenix and Connecticut Fire was approved at the meetings of the stockholders of the two companies. The Phoenix stockholders voted to increase the capital to \$3,000,000 by issuing 10,000 \$100 shares at \$360 a share. These shares will be exchanged for Connecticut shares. The stockholders of the latter company will receive, besides, a bonus of \$75 a share. There had been other offers—one of \$85 by the National and one of \$100 by the Home or a reinsurance with 51 percent of the reinsurance reserve.

—Wedding.—The second wedding on Belvedere island, in the bay of San Francisco, was that of Miss Kate Peterson and Ward Maillard, Jr., last month. The bride is a daughter of Ferd Peterson, who has been in the employ of the Commercial Union Assurance Co. for more than forty years. The pretty bride was married in the wedding dress worn by her mother. The kneeling pillow of white satin used by the young couple was made for the bride's mother and father. The wedding cake was served in white satin bags instead of the usual boxes. The happy young couple's initials were embroidered on the bags.

—A handsome little notebook from the Dornins pleasantly reminds us of the Newark Fire Ins. Co.

—The St. Paul F. & M., recently examined, credited with \$500,000 capital, \$250,000 special reserve fund, \$250,000 guaranty surplus fund, \$2,268,534 net surplus, \$3,268,534 surplus to policyholders.

—Surety.—The American Surety Co. of New York has reinsured the Mexican business of the London Guarantee & Accident Ltd. This is done through the Compana Mexicana de Garantias, S. A., the local company of the American Surety.

—Today the Etna Insurance Co., which was born in a coffee house almost a century ago, is in the front rank of the companies in the fire insurance world. The rather frail child has grown into the sturdy adult, with plenty of money in his pocket.—Hartford Courant.

—Panama-Pacific Expo.—Up to date, 41,176 feet of pipe for the high pressure water system has been laid. In grading the exposition site, the contractors are using 175 head of stock, with the necessary scrapers, plows, wagons, etc. The service water supply system contract has been completed, as has also the freight slip and approach. There is every probability that the carpenter work on the palace of machinery will be completed within four weeks, the only work remaining to be done being the wall framing in the east and west entrances, wainscoting, partitions and mill-work. Up to date 7,260,000 board feet of lumber have been installed. During the past month about 400,000 feet of the super-structure of the educational palace has been erected. The wall and roof framing is under way. Concrete work has been carried to the roof line and is about nine-tenths completed. All lumber for the agricultural palace has been delivered and about 65 percent of all framing has been completed. Three fire stations are under construction and two of them are nearly completed. About one million feet of lumber has been placed to date in the floor of the varied industries building.

—What next? Who next? Which next?

—The Liverpool & London & Globe building seems to grow handsomer every day.

—Col. Macdonald is the happy grandpa of a beautiful baby boy, which weighed 14 pounds at birth.

—Mr. and Mrs. W. H. Breeding are "at home," after a pleasant wedding journey extending into British Columbia.

—The Union Marine of London (represented by W. Irving) has been granted extraordinary powers which permit it to write every kind of insurance but life.

—The Fireman's Fund, Royal, Liverpool & London & Globe and California buildings in San Francisco displayed bunting in honor of the re-visits of the Messrs. Balboa and Portola in Portola week in San Francisco. There was a jolly good time.

—Seattle.—The two platoon system is criticised by a writer in the Sun. The fire department has grown from 226 men to 515, he says, while the population has increased only 20,000. But under the two platoon system fire losses have been greater.

—We are indebted to Manager Devlin of the Atlas for a copy of "Odds and Ends of Foreign Travel," by Geo. C. Morant. This book is published for the benefit of the insurance clerks' orphanage. There are 172 pages of agreeable reading, made up of the author's world travels. The book is dedicated to the chairman of the orphanage, Saml. J. Pipkin.

—Secretary Weinmann of the Fireman's Fund has returned from his first trip abroad, same weight, same Louis, not a bit proud, and never offering to speak any of the foreign languages he acquired in his travels. Mr. Weinmann visited the principal cities of Great Britain and Europe. He saw Paris and refused to die; he went to Rome and did as the Romans do; he visited blonde Berlin and heard Hoch der Kaiser at the royal opera house; he saw hundreds of miles of paintings and liked best those in Holland; he strayed round London and did not get lost in the fog; and traveled over the finest road in the world, which leads straight to the Coast and California.

—U. S. Manager H. N. Kelsey of the Hamburg-Bremen is in California.

—Marine. — The Liverpool & London & Globe Ins. Co. has begun writing marine business in this country, in New York.

—We are indebted to the Home for one of its handsome bronze disk paper weights, commemorating its 60th year completion—1853-1913. The durability of this weight is suggestive of the enduring qualities of the Home.

—Killed Husband But Gets His Insurance. Mary L. Sudall quarreled with her husband and then killed him. A jury freed her. Then she sued the Order of Foresters for \$2,000 due under his insurance certificate. Mary won again.

—The Socialists don't believe in life insurance or protection for the widow and orphan. They now propose that the government shall issue non-inheritable bonds for the railway bonds, pay a small interest, take possession of the railroads, and never redeem the bonds of course. This neat little confiscation plan would bankrupt all the larger life companies of this country. Nice, simple, easy and honest plan, this of the spineless socialists.

—As we have caught up with the courts—and the courts are taking their autumn vacations—our Legal Digest takes up only two pages this month. However, we print the conclusion of the California supreme court decision in the case of the Law Brothers against the Northern Assurance Co. This appears to be the last of the 1906 conflagration cases. We shall later print a summary of this case, where the c. o. c. binder turned out to be no protection against loss.

WANTED.

Experienced SURETY MAN wants position as Underwriter in a large general agency or home office.

Address, E. F. G.,

COAST REVIEW

ANSWERS

C.—The Nord Deutsche is a non-board company on this Coast.

M.—The Standard of Hartford was one of the few companies that approved the infamy of the Orr law by staying in the state of Missouri.

Z.—The Williamsburg City Fire had outstanding April 18, 1906, a number of policies with an earthquake clause. The home office management denied liability.

LIFE

If a solicitor obtains five interviews per day for twenty-six days in a month the average number of cases closed out of the 130 interviews will be nine—and, followed out, his new commission earnings, conservative figure, will equal \$3,024 for the year as a minimum. But we said just a little while ago that few solicitors realized the fact that their

time was their own, and in order to reach this "standard" some plan should be ready that will aid him in forming habits of industry. Such a plan will require an initiative, and if a man is of the right sort he will see it to his advantage to conserve his time by making definite reports of the number of hours he spends in his canvass, the number of calls, interviews, etc. — Winslow Russell.

Among recent death claims paid by the Mutual Life of New York are these: Jacob S. Appel, publisher, San Francisco, \$5,065; Chas. A. Burcham, miner, Los Angeles, \$55,000; Joseph T. Hixson, freight agent, Fresno, \$7,000; Henry H. McGowan, hotel proprietor, Paraiso, Cal., \$10,000; Ross L. Trevett, banker, Denver, \$10,201; Wesley Austin, assistant manager hotel, Salt Lake, \$5,000; Fred M. Klussman, physician, Spokane, \$5,000.

Port Costa, Cal., Oct. 26. — Burlington hotel, owned by Mrs. Sadie Marchon.

Pacific Mutual For Pacific Coast Agents

*The Best Opportunities for High Class Field Men
in a Company with a Clean Past and a Great Future*

CALIFORNIA AGENCIES:

LIFE DEPARTMENT

JOHN NEWTON RUSSELL, Jr., Manager
517 West Sixth St., Los Angeles

KILGARIF & BEAVER, Inc., Managers
5th floor, Shreve Bldg., San Francisco

WHITTINGTON & COLLINS, Gen'l Agents
1010 Van Nuys Bldg., Los Angeles

ACCIDENT DEPARTMENT

THE McCUISTION CO., Gen'l Agents
414 Story Bldg.,
Los Angeles

F. A. STEARNS, Manager
5th floor, Shreve Bldg.,
San Francisco



Organized 1868

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1913) . . . \$9,994,450.00

NET SURPLUS, " . . . 3,961,146.00

E. F. BEDDALL
President

N. S. BARTOW
Secretary

GEO. W. BURCHELL
Vice-President

Gross Assets ^{JAN. 1} 1913 \$104,642,884

Exclusively Fire Assets 46,944,394

Net Surplus - - 17,684,610


Losses Paid - - 247,700,319

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager

LIVERPOOL, ENGLAND

DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta
San Francisco, Montreal.  Agencies in all principal Cities and Towns



ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING. SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

Licensed by the State of California Insurance Department.

Property Underwriters Association

Of San Francisco, Cal.

AUTOMOBILE INSURANCE
Complete Coverage

FIRE INSURANCE
MOTOR CYCLE INSURANCE

C. J. STOVEL, Manager and Attorney

Stovel Bldg., San Francisco
Telephone Kearny 2568

Branch Office: No. 207 I. W. VAN NUYS BLDG., LOS ANGELES

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912 \$280,438,555.87

Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.

President, **JOHN M. TAYLOR**, Hartford, Ct.

LIFE

In true creative solicitation the fate of competition is to be ignored. Don't use the negative side of a proposition but use the positive or creative side. The negative leads to inaction through argument, procrastination, harmful indulging in personalities, directing the attention from the proposition of use to the buyers, to a bickering over useless technicalities, destroying of another's ideas rather than the creating of your own. The creative or positive side of soliciting leads to satisfaction and action. If forced into competition by someone else the best weapon against it is a knowledge of your own business and of men. The knowledge of com-

peting lines of business is of secondary importance and should be kept behind you for protection only.—R. O. Miles.

FIRE

The German American has reinsured the Virginia State. The latter was organized in 1865.

The New York examiners give the Hanover Fire as of March 31 \$4,875,589 assets and \$738,130 net surplus. The financial condition was found to be excellent.

The California insurance department report is out, in the form of an advance pamphlet. As the state does its own printing, you may expect the full report of Dec. 31, 1912, to emerge from the political print shop about Dec. 31, 1913.

FIRES

San Diego, Oct. 5.—A 4,000 gal. oil tank exploded and started a fire which burned five tanks for hours.

Seattle, Wash., Oct. 5.—“Times” plant in basement. Also had a fire last February. Today’s fire probably set by I. W. W.’s or sympathizers. “Times” severe against these people and is said to have been one of the causes of the recent riots. Col. Alden J. Blethen and Clarence B. Blethen are convinced the fire was of incendiary origin.

Nome, Alaska, Oct. 6.—In the midst of the greatest storm ever known here, flames started. The gale had previously destroyed this little sand-spit mining city’s fire engine house. Thus was the fire apparatus rendered useless. The inrushing sea wrecked Front street. Several hundred buildings were damaged, some razed, and others swept into the sea. Fire burned much of the wreckage and levee and other buildings. Formerly Nome, the most northerly town in the world, was a beach gold placer camp, but now it is a dredger camp. The insurance is light.

Petaluma, Cal., Oct. 6.—Barn and 15 horses of E. C. Boyson, nine miles out, burned, with loss of \$2,500.

Santa Rosa, Cal., Oct. 5.—On S. W. Purrington place at Mt. Olivet, 600 bales hops, kiln and hay barn, hay and prunes. Loss \$40,000. Combustion or incendiary.

San Francisco, Oct. 12.—Wm. Taaffe Tanning Co., bldg., Revere and Griffith sts., Bay View. Both building and hides burned.

Seattle, Oct. 7.—Mill of Wallace Lumber Co. near here burned, with \$40,000 loss.

Los Gatos, Cal., Oct. 7.—C. L. Zimmerman furniture store.

Pioche, Nev., Oct. 12.—Cecil hotel, A. S. Thompson Co. store, Henry Lee building and three other places burned.

Los Angeles.—The Barker Bros.’ furniture warehouse loss probably totals \$200,000.

Stockton, Cal., Oct. 13.—A fire destroyed a house adjoining the home of William Campbell, 1635 L street, Sacramento, a few weeks ago. All that prevented the flames spreading to the Campbell house was a large cherry tree. Today the cherry tree is full bloom, many months out of season, the heat having brought forth the blossoms.

Santa Cruz, Cal.—It is feared the forest fires in the mountains were set by men wanting to be employed as fire fighters.

Los Gatos, Cal., Oct. 6.—Fire in Mrs. L. J. Martin’s building from hot ashes on the ground; spread to L. C. Zimmerman’s new and second hand furniture store. The fire alarm system was not working and no alarm was sounded.

San Ramon, Cal., Sept. 17.—Hay warehouse and 850 tons of hay, Bishop Bros. owners.

You Wish to Be Paid Well

for Your Efforts.

Producers receive liberal compensation
under the

Direct Agency Contract
of the **Manhattan Life**

A top-notch renewal income assured for
years to come.

Several pieces of excellent territory, with
exclusive rights, open for men of
character and ability.

For particulars address:

**The Manhattan Life Insurance
Company**

66 Broadway - New York
JOHN LANDERS, Manager.



Main Offices
56 Cedar Street

ORGANIZED
APRIL 13th, 1853

THE HOME Insurance Company NEW YORK

ELBRIDGE G. SNOW,
President

The completion of SIXTY YEARS finds THE HOME in the premier position among the Insurance Companies of the world not only in respect of FIRE ASSETS and SURPLUS to POLICY-HOLDERS—but with an unexcelled record for fair dealing in every emergency as well as in ordinary routine—with an unsurpassed equipment, and with the ability as well as the readiness to serve the public, its agents and brokers.

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT :

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

FIRES

San Francisco, Oct. 9.—Fire in basement of H. S. Crocker Co., Pine and Sansome. Fire started by defective dynamo. This stationery firm has had several fires.

Nevada Hardware and Supply Co. store, Reno, Nev., fire mysterious origin Oct. 12, 1913. Loss \$90,000.

Los Angeles, Oct. 7.—An auxiliary printing plant and paper house of the Times-Mirror was destroyed by fire. The origin was undoubtedly incendiary, the police say. Labor-union thugs dynamited the Times building and killed twenty-one employees some time ago.

St. Louis.—The unsprinklered Anheuser-Bush brewery plant carries a 100 percent reduced rate contribution clause under a blanket form, and the rate is 45 cents annually.

Los Angeles, Oct. 11.—California Macaroni Co. plant and adjoining buildings. Loss \$60,000.

Kansas City, Kan., Oct. 10.—Fire destroyed S. W. M. Co. flour mill, with \$400,000 loss.

The Franklin Fire has been purchased by a Joplin, Mo., company and will be transferred from Washington.

The Alliance of England has been admitted to South Dakota.

Statement of the ownership, management, circulation, etc., of the Coast Review, published monthly at San Francisco, Cal., required by the act of August 24, 1912. Editor, E. H. Bacon, San Francisco, Cal.; managing editor, E. H. Bacon, San Francisco, Cal.; business manager, E. H. Bacon, San Francisco, Cal.; publisher, E. H. Bacon, San Francisco, Cal. Owners E. H. Bacon, San Francisco, Cal., A. Edwards, Berkeley, Cal. Known bondholders, mortgagees, and other security holders, holding 1 percent or more of total amount of bonds, mortgages, or other securities, none. E. H. Bacon, Publisher. Sworn to and subscribed before me this 26th day of September, 1913. Charles Edelmann, Notary Public for the city and county of San Francisco, state of California.

(My commission expires April 9, 1914.) [Seal.]

Agents Do Well who Represent the
SAN FRANCISCO LIFE INSURANCE COMPANY

**Experienced Life Insurance Men
 and Successful Business Men Direct its Affairs**

Business and Resources are Increasing. Interest Earnings are
 6.30 per cent. Low Mortality Experience Shows
 Good Class of Policyholders.

Home Office: 57 POST ST. San Francisco, Cal.

GERMANIA

**FIRE INSURANCE COMPANY,
 NEW YORK.**

ORGANIZED 1859.

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

HEAD OFFICE

Cor. William and Cedar Sts.

FIRE

The late Sovereign Fire seems to have been born with a bar sinister.

The Home has reinsured the Firemen's of Washington, D. C., in two states, and is hospitably ready to assist other companies in like manner.

Richmond, Cal., proposes to vote \$2,500,000 for municipal waterworks.

LIFE

Life insurance, like Death, has all seasons for its own.

In September the Chicago agency of the Mutual Life wrote \$1,004,000 paid-for business. Each preceding month for eleven months also recorded more than a million of new business, making a year's total of 4,503 policies, and \$413,422 premiums and \$12,346,544 paid-for new insurance. Chicago is a large and appreciative city.

The International Life of St. Louis appears to be feeding on corpses. What will it eat when the supply runs out? It has just taken over the Jefferson Life of Oklahoma.

Falling down, falling down, up in Sacramento town—the California State Life of little renown.

Albany, Mexico. — The insurance commissioner issues a bulletin praising Prof. Whitney of California, now employed to look after the liability business under the new rulings.

Los Gatos, Cal., is to be bonded for a chemical combination apparatus.

The National Association of Locals has elected C. F. Hildreth of Freeport, Ill., president. In the distribution of offices and chairmanships the Pacific West was slighted as usual.

LIFE

Efficiency needs the co-operation and sympathy of others. Our knowledge of men, events and methods is obtained by observation and companionship. The man who is selling what he offers is the one possessed of sufficient wisdom to practically apply this knowledge. The efficient life insurance man finds that it pays him to keep posted, not only on current news and trade conditions, but by reading everything he can find pertaining to his business. Insurance journals keep up with in-

creasing developments and happenings in our business, and the up-to-date agent will find a careful perusal of them of incalculable benefit to his work. They may not be able to tell you with every issue just "how to do it," but they do at least give many timely suggestions on "how and why not to do," something that starts a line of reasoning which will make your canvass the more effective. We all make some progress by a process of elimination. It is a great time saver. — Wilson Williams.

GOOD AGENTS WANTED

THE

West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

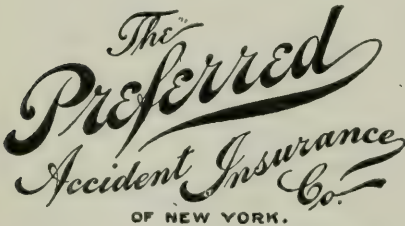
ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, *President*
C. O. G. MILLER, *Vice-President*
JULIAN SONNTAG, *second Vice-President*
WILLIAM C. HAMMOND, *Secretary*

Health and Accident Insurance

KIMBALL C. ATWOOD, *President*
WILFRID C. POTTER, *Secretary*



Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

FIRE

Kentucky. — Owing to state-rate-making, the California has notified its agents in the Blue Grass state of its withdrawal, not to return until the

restoration of sanity at Frankfort, whence comes an order to reduce rates already too low, and to furnish MONTHLY reports of experience on various classes.

<p>FIRE</p> <p>NIAGARA FIRE Insurance Company</p> <p>Assets, - \$6,981,389.16 Surplus to Policyholders, - \$3,664,392.31</p> <p>DETROIT FIRE & MARINE Insurance Company</p> <p>Assets, - \$2,194,259.14 Surplus to Policyholders, - \$1,549,532.75</p> <p>NIAGARA - DETROIT UNDERWRITERS</p> <p>Assets, - \$10,661,489.00 Surplus to Policyholders, - \$5,966,544.00</p> <p>EDWIN PARRISH, Manager</p> <p><i>Pacific Coast Department 334 Pine St., - San Francisco</i></p>	<p>AUTOMOBILE</p>
--	--------------------------

MEN WHO CAN DO THE WORK

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

UNION MUTUAL LIFE Insurance Company

PORTLAND, MAINE.

FRED E. RICHARDS, President

Address ALBERT E. AWDE, Supt.,
396 Congress St., Portland, Maine.

GEORGE E. HUNT, Manager
Shreve Bldg., San Francisco

T. H. McAllis, Manager, Sherlock Bldg. Portland, Ore.
P. B. Duren, Manager, Boston Block, Seattle, Wash.
The Western States Agency Co., Manager, 225 Foster Building, Denver, Col.
J. E. Evans, Manager, Vancouver, B. C.

LIFE

The Aetna charges 6 percent interest on the month's grace in payment of premium. This is the highest rate charged by any company.

Commissioner Done of Utah thinks group insurance cannot be applied to the swallowing of fraternal. But he thinks the companies writing group insurance should proceed carefully. Utah reserves the right to pass on each group insured in the unbusinesslike way of without medical examination. Emmet of New York favors the plan though he thinks abuses may grow out of it. These views are printed in the Western Underwriter.

The new income tax will except life insurance premium refunds.

And what has become of Kimmel, the man whose eyes "changed" color?

Whoever owns a life insurance policy is a capitalist.

Statements showing the standing of the

CALEDONIAN INSURANCE COMPANY		Of Edinburgh
The oldest Scottish Fire Office (Organized 1805)		
Capital	\$5,078,365 32	Assets \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN INSURANCE COMPANY		Of New York
Capital	\$200,000 00	Cash Assets \$253,114 00
		Surplus to Policyholders \$238,104 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,405 19
Pacific Department Office: 430 California Street, San Francisco.			

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

Pacific Surety Company

OF SAN FRANCISCO, CALIFORNIA

*Accident and Health
Plate Glass*

*Employers' Liability
Workmen's Compensation*

INSURANCE THAT INSURES

C. H. CRAWFORD,
PRESIDENT

ESTABLISHED
1885

The London Assurance Corporation

OF LONDON

Cash Assets, \$24,899,825.00

The London Underwriters

SPECIAL AGENTS—C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
T. S. HEATH, Denver; J. E. JOHNSON, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco.
PERCY J. PERRY, Seattle.

A. W. THORNTON, Manager

J. M. MENDELL, Assistant Manager

G. E. GOGGIN, City Manager

WM. HACKETT, Supt. of Agents

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

INTERNATIONAL LIFE

Insurance Company

ST. LOUIS, MO.

INTERINSURER OF THE

CALIFORNIA NATIONAL LIFE INSURANCE CO.

of SAN DIEGO, CAL.

Applications for Agencies Invited.

LIABILITY

During the first eight months of 1913 some 15,000 California workmen were injured and 330 were killed. Many of these accidents were unavoidable but many were due to carelessness, rashness, drink and play.

The American Fidelity has again reduced its capital. That Vermont correspondent must now think we were about right.

In resisting a burglary claim in Michigan the Fidelity & Deposit called the burglar as a witness for the defense. Of course, the burglar testified he didn't do nothin' very bad nohow, having taken only some spools of silk. But the jury thought otherwise and gave plaintiff insured a verdict for \$2,129, for stolen silks, satins and slit skirts.

CASUALTY

The Michigan industrial accident insurance department has reduced the premiums one-sixth because of favorable loss experience.

Promoters and officers of the Columbia Casualty of Indiana are under arrest for trying to unload on the company for \$80,000 property bought for \$45,000. Otto Von Laningham seems not to have been around.

LIFE

The Consolidated Life of Portland is still hammering at a stone wall.

For the third time the National Protective Legion has found it necessary to reduce the salaries of its officers. This fraternal society is on the toboggan slide.

The North Carolina insurance commissioner is being sued for \$50,000 by a life insurance man whose license was revoked as not a fit and proper person to represent a life company.

GENERAL

Marine.—The Nome storm destroyed two large gold dredgers, several schooners, three tugboats and a number of lighters, valued at about \$250,000.

Marine.—The Allianz of Germany has returned to San Francisco, with L. Rosenthal as agent.

The editor, a reader, says the book that has influenced him most is the pocket-book.

The Coast Review is unlike any other insurance journal.

Insurance Congress.—Mr. Hathaway favored the Advocate with a call, and his enthusiastic utterances convinced us of the complete success of his large undertaking.—Insurance Advocate.

Those who interviewed Mr. Hathaway at Atlantic City came away satisfied with his earnestness and ability as insurance commissioner for the congress.—The Surveyor.

The new tariff admits free: eggs, furs and fur skins undressed; plain woven fabrics single j. yarn not bleached, dyed, etc.; wheat; cattle; sheep; raw wool; beet and sugar cane machinery; wood, unmanufactured, not specially provided for; wood, comprising parts of fruit boxes exported as fruit box shooks and re-imported filled with fruit. Reductions are made in zante currants to 1½c. lb., peas to 10 cts. bush., olive oil to 20 cts. gall., sugar to various lower rates, to 71-100 of a cent a pound, etc.; oats, to 6 cts. a bush.; lemons, oranges, limes, grape fruit to 18 cts., small package, to 35 cts. for ordinary size. These reductions specially affect California.

In 1912 New Mexico produced \$8,527,955 in precious and semi-precious metals, chiefly copper. This total is an increase of \$5,823,112 in a year.

Sample page of the Coast Review Pacific Fire Chart for 1913

AMERICAN COMPANIES

CAPITAL. NET SURPLUS. YEAR ORGANIZED.	FINANCIAL CONDITION				INCOME		EXPENDITURES			RATIOS		PACIFIC DEPT.		
	GROSS FIRE ASSETS	LIABILI-TIES	SURPLUS AS TO POLICY-HOLDERS	REINSUR-ANCE RESERVE	NET PREMIUMS RECEIVED	TOTAL INCOME	TOTAL EXPEN-DITURES	LOSSES PAID	EX-PENSES	LOSSES TO PREMIUMS	EXP'S TO PREMIUMS	PREMI-UMS RECEIVED	LOSSES PAID	LOSS RATIO
JANUARY 1st.														
*HOME New York, 1853	33,406,435	14,254,679	19,151,755	12,341,420	13,024,171	14,455,152	12,752,376	7,035,185	4,628,177	54.0	35.5	1,526,118	598,767	39.2
Capital . . . \$ 3,000,000	32,146,565	13,831,121	18,615,441	11,798,683	12,712,223	14,077,926	6,378,686	4,307,062	50.3	34.3	1,582,834	494,844	31.2	
Net Surplus . . . 16,151,755	30,178,914	14,840,300	16,829,637	11,646,873	13,199,397	15,070,403	5,764,310	3,845,354	43.6	32.9	1,603,404	670,338	39.6	
	27,307,672	13,124,835	15,382,837	10,244,411	11,363,341	12,785,303	5,447,820	3,855,801	47.9	33.7	1,686,210	652,266	38.6	
	24,856,499	11,973,678	12,882,822	9,515,857	10,394,038	11,443,892	9,892,524	3,624,011	51.6	34.8	1,618,285	571,649	35.3	
Home Fire	1,039,643	91,500	948,143	86,460	93,576	257,804	134,567	45,586	42,777	48.7	45.7	79,245	29,531	37.3
Salt Lake, 1886.	927,881	33,551	834,330	79,346	91,445	218,363	122,508	36,490	44,058	38.9	48.1	91,445	36,449	39.8
Capital . . . \$ 300,000	844,602	82,238	762,364	74,013	90,130	167,708	122,418	45,316	40,278	50.2	44.6	90,130	45,314	50.3
Net Surplus . . . 648,143	817,442	74,815	742,627	62,303	79,969	270,044	94,266	24,929	37,357	31.2	47.2	79,969	24,929	31.2
	659,780	47,568	612,212		54,797	100,513	72,122	16,517	25,605	30.1	46.7	54,797	16,517	36.1
HOME UNDERWRITERS	33,406,435	14,254,679	19,151,755	12,341,420	13,024,171	14,455,152	12,752,376	7,035,185	4,628,177	54.0	35.5	1,526,118	598,767	39.2
Humboldt Fire, Pittsborough, Pa.	1,411,036	834,051	576,984	760,375	730,926	801,122	747,518	369,139	322,430	50.5	44.1	9,022	63	63
Capital . . . \$ 300,000	1,358,021	782,071	575,950	702,190	734,777	807,517	763,913	388,120	329,780	52.8	44.8	9,022	63	63
Net Surplus . . . 276,985														
Imperial Fire	519,811	186,887	332,924	164,845	191,722	227,505	213,304	109,523	90,071	57.1	46.9	81,118	54,657	67.4
Denver, 1906.	486,536	168,219	318,317	153,347	184,363	207,883	197,586	101,202	82,450	54.8	44.6	86,579	42,424	44.2
Capital . . . \$ 230,000	473,353	155,273	318,081	141,168	179,391	204,575	75,516	75,516	80,176	43.1	47.3	108,706	40,020	37.5
Net Surplus . . . 82,924	443,921	127,421	316,500	114,127	160,060	194,666	137,977	70,114	75,863	48.8	47.8	92,054	27,236	28.5
	381,632	91,209	290,423	88,945	131,243	150,170	131,791	54,427	65,364	41.2	49.8	62,681	25,205	40.0
International Fire.	316,649	79,330	237,319	59,850	76,644	138,955	118,902	72,735	44,655	54.9	58.2	10,480	8,780	84.4
Pt. Worth, 1909.	332,192	96,753	235,439	65,407	117,971	140,557	177,823	112,390	63,453	45.0	56.0	34,857	17,210	49.3
Capital . . . \$ 200,000	370,802	33,859	276,943	72,461	133,746	163,964	135,580	53,893	72,360	40.3	54.1	26,252	4,765	18.2
Net Surplus . . . 37,319	337,777	13,720	324,058	11,007	15,950	161,172	15,903	19	16,454	103.	103.	26,252	4,765	18.2
INS. CO. OF NORTH AMERICA	17,816,149	8,971,317	8,844,872	7,583,249	9,314,283	9,989,968	9,062,077	5,041,968	3,449,120	54.1	37.0	500,979	191,621	38.2
Philadelphia, 1792.	16,953,774	8,649,873	8,303,901	7,396,172	9,169,717	9,929,814	8,511,628	5,072,530	3,400,870	55.3	37.0	508,133	161,115	31.7
Capital . . . \$1,000,000	16,040,265	8,327,931	7,712,334	7,125,835	8,900,712	9,644,406	8,371,627	4,630,020	3,350,219	51.3	37.2	488,645	220,703	45.1
Net Surplus . . . 4,844,872	13,385,502	7,796,095	5,577,236	6,184,332	8,599,002	9,146,162	7,868,164	4,397,832	2,792,832	51.9	36.2	436,726	166,461	37.2
	12,014,063	7,298,157	4,748,841	6,458,928	7,387,467	8,471,212	8,118,658	4,306,298	2,892,386	60.9	36.0	426,432	166,259	39.0
Ins. Co. of the State of Penn.	3,703,190	2,499,697	1,203,492	2,192,245	2,239,203	2,367,469	2,344,337	1,397,462	848,819	62.4	37.9	45,348	13,984	30.8
Philadelphia, 1794.	3,710,952	2,471,182	1,239,770	2,156,083	2,214,729	2,311,696	2,739,383	1,775,695	847,515	80.0	38.2	169,845	103,367	60.9
Capital . . . \$600,000	682,289	290,407	2,151,661	681,928	722,423	762,587	680,350	473,694	278,763	69.6	40.8	60,527	25,652	42.1
Net Surplus . . . 403,492	1,022,118	712,504	1,941,567	723,241	753,241	761,287	680,350	387,387	232,707	52.2	39.4	50,914	15,914	35.3

*Home of New York Liabilities include \$1,800,000 Voluntary Reserve as a Contingent surplus.

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
OCCIDENTAL LIFE INSURANCE CO.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.



NEW YORK UNDERWRITERS AGENCY

Cash Assets January 1, 1913,	- - - -	\$26,492,318.21
Net Surplus January 1, 1913,	- - - -	8,513,692.22
Surplus to Policyholders January 1, 1913,	- - - -	10,513,692.22
Losses Paid, Over	- - - -	158,607,806.03

H. R. MANN, Manager

F. M. BRANCH, H. R. MANN Jr., Assistant Managers

Pacific Department: 339-341 Sansome St., San Francisco

SPECIAL AGENTS AND ADJUSTERS:—V. H. QUITZOW, A. C. ANDERSON, SAN FRANCISCO, CAL.; A. E. BAILEY, SEATTLE, WASH.; H. HARRY SMITH, LOS ANGELES, CAL.; H. B. HAGEN, SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO. OF TORONTO

(INCORPORATED 1833)

United States Assets	\$1,746,624.71
Liabilities in United States	1,045,080.89

Surplus **\$701,543.82**

PACIFIC COAST DEPARTMENT

129 Leidesdorff Street, - San Francisco

MILLER, SCOTT & HENLEY, Managers

To briefly sum up the whole: We believe it is important to adopt some very definite plans for continually improving service for those who enter our ranks. Experience shows that the best men come from other lines and know practically nothing of our business.

Many of them have been selling things that appeal solely to men's heads. To the selfish man. We must train them directly away from that; to the straight heart appeal. To train men to interest others in investing their means in an unselfish way is no easy task.—Russell.

American Central INSURANCE COMPANY

of St. Louis

Established 1853

Assets, \$5,549,279 Surplus to Policyholders, \$2,410,275 Losses Paid, \$26,531,745

St. Paul F. & M. INSURANCE COMPANY

of St. Paul, Minn.

Established 1865

Assets, \$8,785,319 Surplus to Policyholders, \$3,351,370 Losses Paid, \$44,006,102

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS

of St Louis

Minnesota UNDERWRITERS

of St. Paul

Assets, \$5,549,279

Assets, \$8,785,319

Surplus to Policyholders, 2,410,275

Surplus to Policyholders, 3,351,370

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers*Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.***Fire Association**

Organized 1817

Of PHILADELPHIA

Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital,	-	\$ 750,000.00	Cash Assets,	-	\$9,091,141.00
Net Surplus,	-	2,590,263.00	Policyholders Surplus,	-	3,340,263.00

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets, - - - \$26,907,330.00 Surplus to Policyholders, - - - \$12,185,135.00

Net Losses Paid in San Francisco in 1906, - - - \$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada

Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles

315 California Street, - - - San Francisco

FROM COAST REVIEW EXTRA**FIRE**

The British America United States department had more net surplus July 1 than on January 1.

Fergus G. Lee, recently president of the Sun of New Orleans, who visited San Francisco, is dead.

The Yorkshire surplus in this country has fallen off about 11 percent since January 1.

The Western Assurance has increased its United States branch surplus.

The Ins. Co. of the State of Penn. has only \$155,690 net surplus as against \$402,533 six months before.

The Glens Falls increased its net surplus in the first half of 1913.

The Pacific and the Greenwich of New York, Freelinghuysen companies, have had heavy losses and are planning to merge.

The London Times compiles a list of fires caused by suffragists since March 1. They number 18 for a total of \$574,250 estimated losses.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES, \$2,826,707.00

Office : **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

FIRE

In January, 1914, fire companies in Massachusetts may cancel without tender of return premium if the premium has not been paid. Notice to that effect must be printed on the policy.

The First National Fire reports July 1, \$555,000 paid up capital and \$667,834 net surplus.

Illinois.—New Supt. Potts denounces the "business rate," which is his term for the cut rate, as unfair to the public, in that one property owner is given a distinct advantage. If such discrim-

ination be not abolished by the insurance people, Mr. Potts will advocate an anti-discriminatory law. He also favors an agents' qualification law, to weed out the tricky ones and raise the standard.

The Commercial Fire of Washington, D. C., reports as of July 1, \$455,618 paid up capital and \$208,632 net surplus.

The Western Fire, which invented graded commissions, now favors reduced expenses. Yet, out here it is understood that one prominent member has favored excess commissions.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	- - -	\$ 250,000 00
Cash Assets (Gold)	- - -	2,096,766 26
Net Surplus over Capital (Gold)		1,357,229 46
On deposit in the United States, (registered U. S. bonds)	- - -	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents

Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco

[Babcock Building]

PHŒNIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building
(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employes. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.

Royal Insurance Building

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

**POLICY
PROVIDING
PERFECT
PROTECTION**

HOME OFFICE
SEATTLE
U. S. A.

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.
\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over \$500,000.00

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets	\$2,464,562.05
Liabilities in United States	1,446,243.42
<i>Surplus</i>	\$1,018,318.63

PACIFIC COAST DEPARTMENT
129 LEIDESDORFF STREET - - - SAN FRANCISCO
MILLER, SCOTT & HENLEY, Managers.

Total Assets Represented over \$20,000,000

Svea
Insurance Company
of Gothenburg

Agricultural
Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire
Insurance Company
of New York

Hamilton Fire
Insurance Company
of New York

Globe Underwriters
of New York

EDWARD BROWN & SONS
General Agents Pacific Coast Department
202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

ONE HUNDRED AND FOUR YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH \$9,139,794.00
(which are but a small part of total fire assets of the Co.)

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

Resident Secretary, Local Dept.
234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON OREGON, MONTANA.

P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH WYOMING.

CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA, and ARIZONA.

G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, SAN FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$— in premiums." "My business is chiefly —." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824,

North American Branch:

Hartford, Conn.

**JAMES H. BREWSTER
MANAGER.**

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash., Oregon, Washington, British Columbia.

JOHN M. HOPKINS, State Agent,
JOHN L. REAMS, Special Agent,
706 Gas and Electric Bldg., Denver, Colo., Colorado, Wyoming, New Mexico, Utah,

H. C. EDMUNDSON, Realty Building,
Spokane, Wash.,
Montana and Idaho

H. W. FORES, San Francisco, Cal.,
General Agent, California, Nevada, Arizona.

SAN FRANCISCO OFFICE:
409 California Street

LIFE INSURANCE

Only \$200 Legal Reserve Life Insurance Per Capita in This Great Country of Ours

With some companies writing their limit and others approaching it, with pseudo and part-time agents, and with plenty of those whose lack of intelligence and integrity disgrace the profession, the fact remains that the people of this country are only indemnified through the medium of life insurance to the extent of \$28,000,000,000 or only about \$300 for every man, woman and child in the United States; that nearly \$10,000,000 of this amount is not the kind of insurance you sell, and sooner or later must be converted into sound insurance, the kind you sell, that the insurance you sell is only indemnifying the men, women, and children against all future contingencies by life insurance to the extent of \$200 per capita; that the total amount of insurance carried is only about \$1,500 for each bread-winner, or the amount of the kind of insurance you sell only about \$1,000 for the head of each family. Ten thousand legal reserve life insurance in standard companies for each family head, or \$180,000,000,000 is not too much insurance for the fathers and sons to carry in this country.—Warren M. Horner.

Nobody objects to fair competition, which is the life of life insurance. It is keener today than ever, insurers more critical, agents abler. Dreamers say insurance sells itself; let them try it! We are zealous or starve. Some things, though, are taboo: poisoned weapons, the stiletto. Bankers never vilify bankers, or doctors belittle doctors. Only quacks practise insurance

defamation. It robs better men. It obstructs, for buyers are not fools; rings false, arouses suspicion. It fails; nobody wins woman's love or man's confidence decrying rivals. It worse than fails; it kills business; the listener, puzzled, bored by controversy, concludes insurance is a mystery, all companies questionable. Such work is no profession, only a sorry trade.—Geo. W. Johnston, winner of Calif Cup for third time.

To Life Solicitors

This business that you have entered into ought to be a life business and not a makeshift. I should say the first essential for any man to succeed in any business is to love it. If he does not love it he is likely to get tired. A man very easily drifts off to something else. The other side of the road looks better to him. When he gets there it is the same thing. You have got to love a business more than simply making a living or regarding it solely as the opportunity to lay up some money. What you do for a man who takes a policy of insurance is to endow him with something that remains for his heirs after he has left the world. It seems as though it pieced out his life by protecting and producing an income for those for whom he cared in his working days. By your work you put money in trust for the wife and children. Do not go around in a sheepish way requesting permission to talk life insurance. Make a study of each man you are after; know how to approach him without saying a word about life insurance until you have his confidence. You can do almost anything you want with a man who has confidence in you.—John Wanamaker.

HOME LIFE INSURANCE COMPANY
OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—“The Come'l & Fin'cl Chron.” 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,

256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department, 123 William St., New York, N. Y.

Liability

Workmen's Collective

Workmen's Compensation

Burglary

Personal Accident and Health

Industrial Accident and Health

Agents Wanted For Unoccupied Territory

Apply to New York office or to

WALTER A. CHOWEN,

Pacific Coast General Agent

340 Sansome Street

San Francisco

AGENTS WANTED

To Solicit Subscriptions for The Coast Review, now in its 42d year. Good commissions. Sample Copies sent in advance. Will pay well any active man. Special offerings. Write Publisher for further particulars.

National Union
Fire Insurance Company

of Pittsburg, Pa.

Cash Capital, - - - - -	\$1,000,000.00
Surplus to Policyholders, - - - - -	1,545,227.00
Assets, - - - - -	4,136,638.00

METROPOLITAN DEPARTMENT
SAN FRANCISCO

604 Merchants Exchange Building

DIXWELL DAVENPORT,

E. C. DIETZ,

MANAGER

ASS'T MANAGER

FIELD REPRESENTATIVES:

R. R. Roper, NORTHERN CALIFORNIA

604 Merchants Exchange Bldg, San Francisco

Wm. M. Stodghill, SOUTHERN CALIFORNIA

302 Stimson Building, Los Angeles, Cal.

FIRE

St. Louis.—After the fire the police found evidence of incendiarism. This led to the arrest of the insured Harry Gans, May 1909. In Europe he would have staid or laid in jail, but here he began a damage suit for \$600,000 against thirty-two insurers and the chief of the fire prevention bureau for an alleged illegal arrest. The jury, of course, sympathized with the accused and gave him \$60,000, and other juries returned verdicts for the insurance. When will insurers learn that they must never even hint that the insured set fire to his property, no matter what evidence and duty say?

San Francisco pays \$4.36 state tax per capita, or a dollar more than the rest of the state. Of the inheritance taxes San Franciscans pay 49 percent.

The Eastern Insurance Bureau may be organized.

The new Missouri mutuals all are disorganizing.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY
Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General Manager

Union Assurance Society, Ltd.

1714

OF LONDON

1913

Assets, \$6,000,000.00

CATTON, BELL & CO., General Agents

R. C. MEDCRAFT,
 Manager

JOHN E. COSGROVE,
 Ass't Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—WM. M. PATTERSON, Portland
 F. F. RICHARDS, Los Angeles

I. M. FISHER, Jr., Spokane
 F. A. STAHL, Sacramento

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets, - \$995,596

Capital, - \$300,000

Surplus, - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

332 Pine Street.

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

San Mateo, Cal., Oct. 3.—Hay ware- Started in whse of San Mateo Hay and house and 15 buildings in Chinatown. Fuel Co.

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY-THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

431 California Street - - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by the State of Massachusetts
Incorporated 1849

Total Assets	\$10,407,847 65
Total Liabilities	7,537,140 04
Net Surplus	2,870,707 61

SURPLUS TO POLICYHOLDERS, \$4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by the State of New Jersey
Incorporated 1811

Total Assets	\$ 1,870,656 00
Total Liabilities	1,010,774 70
Net Surplus	859,881 30

SURPLUS TO POLICYHOLDERS, \$1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

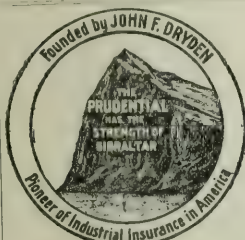
SEMI-ANNUAL STATEMENT, JUNE 30, 1913

Assets	\$10,824,349 81
Liabilities	7,903,328 86
Capital	1,000,000 00
Surplus over all liabilities	1,921,020 95
Losses Paid to June 30, 1913	42,907,985 38

This company issues contracts as follows :

Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance; Liability Insurance; Employers, Public, Teams (Personal Injury and Property Damage), Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation; Steam-Boiler Insurance; Fly-Wheel Insurance.

Pacific Coast Department: (California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange
San Francisco. Washington and Oregon—SEELEY & CO., 111 S. 10th
St., Tacoma; Coleman Bldg., Seattle; Board of Trade Bldg., Portland.



A Favorable Agency Contract

under which a man can work with satisfaction and profit---that's the Prudential contract.

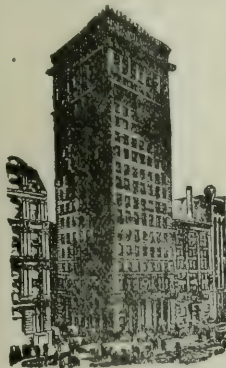
Write us
about an agency.

THE PRUDENTIAL INSURANCE CO. OF AMERICA

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



Prevent Losses

through dishonesty. Our special short form Insurance

Bond guarantees absolute protection.

American Surety Company

OF NEW YORK

The Largest Surety Company in the World

RUDOLPH SPRECKELS, RESIDENT VICE-PRES.

JAMES K. LYNCH, RESIDENT VICE-PRES.

CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

Brewster Cameron, Jr., Acting Mgr. for Northern California and Nevada
Merchants National Bank Bldg. San Francisco. Telephone Kearny 1099

Oakland, Cal.—An electric iron left burning during the night started a fire here and did \$1500 damage. Loss from a similar cause in southern California

recently cost the underwriters something.

The Unit Standard Life of Los Angeles continues to puzzle plain people.

LIFE

Life Insurance Policy at the Wedding

You cannot very well hand around a certificate of health at the supper table for the entire family to inspect. Neither would it look well on the piano among the bridal presents.

A life insurance policy, however, is occasionally even now found among the gewgaws and jimcracks. No one is ever shocked. Its lines are pleasant, and all that it suggests is beautiful, right, hygienic and altogether lovely.

Life insurance, like fire insurance, after all, is for the insured. He is the beneficiary.

Fire insurance is for the man whose property doesn't burn up, and a life policy is for the man who lives. There is no benzoate of soda in a life policy. The fact that a man is insured makes him a better citizen, and I believe, a better husband and father. So there you are.—Elbert Hubbard.

Operation of British Insurance Act

The act gave the most generous terms to persons not coming under the compulsory clauses to insure themselves voluntarily. If under 45 they could come in up to Jan. 14th last at the flat rate of 7d for men and 6d for women. If over 45, or if they came in after that date, they paid the rate appropriate to their age. These terms were so generous that it was expected that there would be 829,000 voluntary contributors. The actual number for Great Britain is only 16,703. That is to say, there are tens of thousands of men of 15 to 45 years of age who could have got for 7d per week an insurance policy worth 9d at 16 and 1s 0½d at 45 who have been frightened out of this boon by the shriekings of the anti-insurance act press.

With this one exception the success of the act has been complete. Figures can convey only the dimmest idea of its triumph, especially to those of us who have only what Shakespeare's Cressida calls "a taster's arithmetic."

Readers who are happily able to think in millions will like to know that in England alone, up to March 31st last, 342,848,351 health insurance stamps had been sold; but even these hardened calculators will note with a gasp the fanatical accuracy of the odd one. By May 31st—the first report on the administration of the insurance act, one of the most important blue books ever issued, is my authority—the payments into the national health insurance fund for England aggregated £15,771,628 3s, which, I should suspect, from the absence of pence, to be a mere estimate had I not added the figures up for myself. The number of insured persons in England is not yet known, but—and here at last among these stupendous accuracies we get a confession of weakness—it was estimated that there were 10,459,500 members of 2069 approved societies on January 12th last.

Another anticipation of 15 months ago has been falsified by results, but this time most happily. The expected number of deposit contributors was 882,000; the actual number is only 468,000. It was clearly impossible to avoid the depositor class except by excluding them altogether, for they are the inevitable result of allowing self-government to the approved societies. Again, while they are not in the same fortunate position as members of approved societies, they receive a very substantial return for their weekly payments, the average amount paid in sickness claims being 7s 8d, and in maternity claims 14s 1d, while they of course get medical and sanatorium benefits in full.

Of 8222 depositors claiming sickness benefit in England 4885 had sufficient money standing to their account to enable them to receive payment in full.

It looks as if, on the appointed date, it will be impossible, without any undue call on the public purse, to give these less fortunate people a full measure of insurance.—George W. Gough in London Chronicle.

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

- The first office to commence paying losses after the conflagration.
- The first office to commence paying in full the face of the policies, without discount, for cash or exchange.
- The only general agency that remained in San Francisco where its patrons suffered.
- The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.
- The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

**Get the Best Insurance While You Are About It
It Costs No More**

January 1, 1913

OLD AND TRIED GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,312,945 00
UNDIVIDED PROFITS	2,486,705 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,848,154 00
UNDIVIDED PROFITS	896,217 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,492,354 00
UNDIVIDED PROFITS	439,752 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal.

Fire Automobile Marine

COMMERCIAL UNION

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$	14,750,000
Paid-Up Capital		1,475,000
Total Cash Assets, Gold		56,579,048
Total Liabilities, including re-insurance reserve		46,019,127
Cash Surplus to Policyholders		10,559,921
Total Amount of Claims Paid		175,573,348

Assets in United States Held by Trustees, \$7,643,751

ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE

Security Building, 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

Phoenix Printing Company

(Which means Restored to Life from the Ashes of the Great San Francisco Pyre)

E. H. BACON & CO.,

Printers, Publishers, Paperers

122 Halleck Street, San Francisco

(Just beneath where the Coast Review Offices were in 1880, in the old Halleck Block)

PLAIN and PRETTY PRINTING OF ALL KINDS

LINOTYPING, HANDSETOTYPING, BOOK, NEWS, COMMERCIAL, INSURANCE,
RELIGIOUS AND PROFANE WORK

We make a Specialty of Long Press Runs

Your business is solicited without a solicitor **WE INSURE YOU**
WITHOUT A PREMIUM

☞ Let us Bid on Your Work ☜

STABILITY AND STRENGTH

RESOURCES OVER \$52,000,000.00

SUN
OF LONDON

NATIONAL
OF HARTFORD

COLONIAL
FIRE UNDERWRITERS
AGENCY

MICHIGAN
FIRE AND MARINE
OF DETROIT

SUN
UNDERWRITERS

MECHANICS & TRADERS
OF NEW ORLEANS

PACIFIC DEPARTMENT

WILLARD O. WAYMAN---CARL A. HENRY

JOINT GENERAL AGENTS

FRANK E. STONE

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ASSISTANT GENERAL AGENTS

Sansome and Sacramento Streets

San Francisco, Calif.

Branch Offices: Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00 Assets, \$9,268,924.08

WILLIAM J. DUTTON

PRESIDENT

BERNARD FAYMONVILLE

VICE-PRESIDENT

LOUIS WEINMANN

SECRETARY

A. W. FOLLANSBEE, Jr.

MARINE SECRETARY

J. B. LEVISON

SECOND VICE-PRESIDENT

H. P. BLANCHARD

ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

T. M. GARDINER

TREASURER

Central Department

MARSHALL & McELHONE, Mgrs.

171 La Salle St., Chicago, Ill.

Southeastern Department

EDGAR S. WILSON, Manager

Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 85
NO. 5

NOVEMBER

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast INSURANCE Review

PROTECTION

An Insurance Journal and Directory

IN ITS FORTY-THIRD YEAR

San Francisco: Merchants Exchange Building

The Only *INSURANCE* Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

President Dutton of the Fireman's Fund Will Soon Retire

A California Life Decision

A Coast Marine Decision

Much Life Insurance Twisting in California

Twelve Years' Pacific Coast Fire Business

Lloyds of London Safeguards Not Substantial

Union Assurance Joins Law Union

Equitable Life on Grill

The Connecticut Fire Will Be Continued

Hamburg Bremen To Return to California

An Oregon Mutual Decision

Another Reciprocal Company in Danger

Groundless Rumor Denied

A Decision of Interest to Brokers

Sale of the California Completed

Revised Field Men's Directory

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World
 ASSETS IN UNITED STATES, - \$13,739,218.97

LIVERPOOL & LONDON & GLOBE

INSURANCE CO., LTD.

NEW YORK OFFICE, 80 WILLIAM STREET.

H. W. EATON, Manager
 G. W. HOYT, Deputy Manager
 J. B. KREMER, Ass't Deputy Manager
 T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW YORK, NEW JERSEY,
 PENNSYLVANIA, MARYLAND, DELAWARE,
 DISTRICT OF COLUMBIA, VIRGINIA,
 WEST VIRGINIA, NORTH CAROLINA,
 SOUTH CAROLINA, OHIO,
 INDIANA, KENTUCKY,
 TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELLET & COMMON STS.

CLARENCE F. LOW, Manager
 J. G. PEPPER, Ass't. Mgr
 THOS. H. ANDERSON, Deputy Ass't. Mgr

CALIFORNIA, NEVADA, OREGON,
 ALASKA, WASHINGTON,
 ARIZONA, IDAHO.

SAN FRANCISCO OFFICE, 444 CALIFORNIA ST.

JOHN W. GUNN, Manager
 R. P. FABJ, Ass't Manager

ILLINOIS,
 MICHIGAN, IOWA,
 WISCONSIN, MINNESOTA,
 MISSOURI, KANSAS, NEBRASKA,
 COLORADO, N. DAKOTA, S. DAKOTA,
 MONTANA, UTAH, WYOMING,
 NEW MEXICO.

CHICAGO OFFICE, INSURANCE EXCHANGE.

W. S. WARREN, Manager.
 GEO. H. MOORE, Assistant Manager
 HUGH R. LOUDON, Deputy Ass't. Mgr



Established 1836

Entered U. S.

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05
Surplus	\$ 4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
 And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868 \$1,739,620; 1878, \$2,422,126 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144

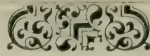
LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852
 In Company's New Building
 444 California St., San Francisco

JOHN W. GUNN, Manager
 R. P. FABJ, Assistant Manager

Special Agents:

R. G. BRUSH R. H. ROUNTREE HARRISON HOUSEWORTH LOGAN B. CHANDLER
 W. H. RAYMOND CHESTER S. MYRICK F. E. ATKINS GEO. J.



Conflagration-Proof Insurance



Losses paid to date, - - over \$164,000,000

PACIFIC DEPARTMENT

GERMAN AMERICAN PHOENIX OF HARTFORD

GERMAN ALLIANCE PROTECTOR UNDERWRITERS



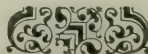
EQUITABLE FIRE & MARINE INSURANCE CO.

GEO. H. TYSON GENERAL AGENT.
HERBERT FOLGER, ASST. GENL. AGENT.
SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



YOUR CARD

as a representative of the "Oldest Life Insurance Company in America" will prove your best introduction

The Mutual Life Insurance Company of New York

Impregnable Strength

Incomparable Dividends

Maximum Benefits

Minimum Net Cost

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

GENERAL

From Chicago to the Pacific Coast there are 119 railroads.

The railroads of the East agreed to increase wages to an equality with the wages of the West — and increase freight rates. Whereupon the employees of the West demanded an increase of wages. If this be granted this month, the Eastern men will next month demand a similar increase. And so it goes, and up goes the cost of living.

The teacher of a Sunday-school class tried to impress upon her young charges the necessity of prayer before meals. "Billy," she asked a little fellow whose father was an elder in the church, "what does your father say before you eat your dinner?" "I dun know." "Well, what did he say this morning before breakfast?" Billy meditated; suddenly he remembered. "He said,

'You kids go slow on the butter now! It's 40 cents a pound.'—School Journal.

No man can face the world with a good heart unless it is backed up by a good liver.

Doesn't Speak Well of Him

"Why did the last man who roomed here leave?" asked the would-be lodger.

"I told him to go," answered the landlady. "And I don't want any more roomers like him. He should be living in a pig pen."

"Rather careless, eh?"

"Careless is altogether too mild a word, sir. I'm not finicky, because I can't afford to be, but I give you my word that I never put but one thing in his room that stayed clean."

"What was that?"

"His towel." — Cleveland Plain Dealer.

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00
Net Surplus, 295,338 00
Total Assets, 1,278,845 00

OFFICERS

W. E. DEAN, President
GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
GEO. L. PAYNE, Treasurer

**HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.**

Special Agents and Adjusters

J. W. WARNER, San Francisco
A. N. LINDSAY, Seattle LEIGH H. ROBINS, Los Angeles B. A. SIFFORD, Portland

**Paid \$2,557,000 in San Francisco conflagration without discount or compromise,
and at the rate of "Dollar for Dollar."**

Western Department, Chicago, HENRY J. WOESSNER, Gen'l Agt.

Eastern Department, Philadelphia, FRANK C. STURTEVANT, Manager.

Middle East Department, Pittsburg, LOGUE BROS. & CO., Gen'l Agts.



LTD.

OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

**Pacific Department, - 332 Pine Street
SAN FRANCISCO, CAL.**

SAM B. STOY, Manager

**THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM
AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES**

Pacific Coast Casualty Co.

Of California

Employers' Liability, Teams, General Liability, Workmen's Collective, Vessels, Elevator, Automobile, Personal Accident, Burglary and Plate Glass Insurance, Fidelity and Surety Bonds.

Paid-up Capital, \$400,000 00
Assets, : : 1,231,513 10

T. L. MILLER President
CARL G. BROWN Vice-President
H. A. BAUER Secretary
C. P. JONES Asst. Secy.

DIRECTORS.

Henry E. Bothin	E. F. Green
Edward L. Brayton	Carl G. Brown
Marshal A. Frank	J. H. Bennett
Allen L. Kittle	Geo. W. Turner
F. P. Deering	H. W. Goodall
W. P. Johnson	

Head Office: Merchants Exchange Bldg.
San Francisco -

LIABILITY

Boston.—Liability brokers here are opposing the 20 percent expense limitation. They have formed an organization. One speaker at the first meeting was cheered when he said the companies are behind this limitation by department ruling, and want to eliminate the middle men.

Missouri.—The state insurance department will enforce no liability expense limitation.

FIRE

New York.—Fred S. James & Co. have resigned the Nor Deitsh.

It is now the National Association of Local Insurance Agents.

Bakersfield, Cal., has been re-rated and lower rates will follow.

Colton, Cal., will buy motor apparatus.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-three Years for

Low Rate of Mortality

Economy of Management

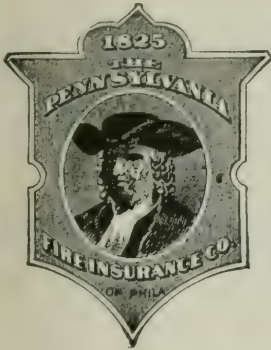
Prompt Payment of Claims

ADMITTED ASSETS, OVER \$19,500,000

L. B. COLLINS, Gen'l Agent, - SAN FRANCISCO

Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Hellman Building) LOS ANGELES, Cal.



The
Pennsylvania

*Fire Insurance Company
 of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
 in the United States

Pacific Coast Department :

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

**SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
 F. A. Lathrop**

LIFE

The Commercial Life of Indianapolis has reinsured in the Pension Mutual.

Toronto may have a new life company, the Empire, writing sub-standard business, with a million capital—which will be needed.

The Spokane Western Union will probably take over the Portland American L. & A.

SURETY

The Southwestern Surety of Texas may be absorbed by the Southern of Missouri.

The Western Casualty & Guaranty Co. will be liquidated.

GENERAL

Newspapers actually do manufacture "public opinion" because the average voter does little or no thinking on his own account.

Marine.—The Volturmo was poorly equipped for fire-fighting and carried much very inflammable cargo, such as oils, peat-moss, chemicals, gin, burlap, rags, straw envelopes, etc.

The
**Metropolitan
 Life
 Insurance Company**

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

SAN FRANCISCO

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company his leader. That company is certain to be the Continental = = = = =

HENRY EVANS, President

Pacific Coast Representatives:

A. G. NASON & CO., San Francisco

F. P. WILSON, San Francisco

G. L. McINTIRE, Los Angeles

W. A. WILLIAMS, Portland

G. L. A. LAUER, Seattle

J. A. CARLSON, Spokane, Wash.

J. C. WICKLER, Sacramento

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



FOUNDED 1806

Funds Exceed - - \$ 47,897,465

Annual Income Exceeds 6,500,000

Claims Paid Over - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

SPECIAL AGENTS:

NOAH L. NELSON—Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BRODENSTEIN—California, Nevada, Colorado and Utah.

APPLICATIONS FOR AGENCIES INVITED

☐ THE COAST REVIEW ☐

1871—1913

INSURANCE

SAN FRANCISCO

Sample copies sent to anybody and any address except in San Francisco.

Send us 2 cents for some articles on mutual fire insurance.

The publisher does not believe in free advertising.

Unless otherwise ordered, we do not stop subscription immediately on expiration.

Subscribe now and get December free.

NOT HARD TO TRICK US

Visitor from London Found Americans
Clever Only on the Surface

London.—An anonymous "prominent London business man," who has just returned here after a tour in the United States, has given a remarkable interview to *The Daily Mirror*. He asserts that while he was in America he came into contact with many business men, and was "able to form sound opinions of their character and ability."

"I went to America thinking I was going to meet the shrewdest, cleverest nation in the world," he continues. "In a week I discovered my mistake. They are clever on the surface—but that is all. The most ordinary city stock broker who wants to start rather doubtful companies should not go to an English provincial town, but to any of the big American cities. Provided he knows how to dress well and talk

'big,' he is sure to be a great success. That is all, apparently, that matters—to wear 'swell' clothes and talk. Everybody will then believe in you, invest their money in your business, and recommend you to their friends.

"Americans appeared to me to be all playing a great game of bluff with each other. Business display is everything in America. The very cards of most Yankee business men almost 'shout' at you—one would think that the men were millionaires.

"This is how to start an insurance or some sort of company business in America. Engage an office in one of the most prominent buildings in the town, fill it with typewriters and other signs of hustling prosperity, wear 'knob' shoes and 'swell' clothes, and then—begin to talk. Everybody will believe you. The most doubtful schemes will be eagerly swallowed, and money will roll in. Could such a thing be done in England?

"So long as you pay big dividends Americans seem to care very little what happens to their capital. Four or 5 percent dividends are jeered at—pay 30 percent dividends, and the capital may go hang! A really sound business man who talks very little and makes no display is doomed to failure in America. Nobody will have any confidence in his business.

"The gullibility of the average American is amazing. Although almost everybody bluffs, he is ever ready to believe some fresh scheme and put his money in it. Perhaps this criticism of Americans is a little scathing, but it is my honest impression of them. They have their good points—a more hospitable people would be hard to find."

The ocean tide is a movement of the sea only noticeable near the land,

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00
 Net Surplus
 \$8,238,392.50
 Surplus as to
 Policyholders
 \$13,238,392.50



Cash Assets Now
\$23,051,531.36
 Losses Paid
 in
 94 Years
\$132,981,553.48

All Losses Paid in Cash Without Discount Immediately Upon Adjustment

W. H. BREEDING, General Agent

E. S. LIVINGSTON, Asst. General Agent

**Main Office, 301 California Street
 SAN FRANCISCO**

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, General Adjuster

G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR, FRED H. ROADS

This Company has absolutely no connection with any other corporation bearing the name of AETNA.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26,492,318 21
 Surplus to Policyholders, 10,513,692 22
 Losses Paid, Over . . . 158,607,806 00

DIXWELL HEWITT, General Agent

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

J. J. DENNIS
 P. H. GRIFFITH
 WILLIAM S. DENNIS
 NEIL STEWART

C. E. MILLER
 M. E. SPAULDING
 J. HENRY WOLBOLD

GEO. E. DEVINE
 R. E. DOLLARD
 L. H. EARLE

November, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 43d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 85

San Francisco, California, U. S. A.

Number Five

Entered at San Francisco Postoffice as second-class mail matter

No man is responsible for his dreams
—not even if he dreams he is a manager.

‡‡

And yet, do not forget, some managers
are asleep. They do not believe in ad-
vertising until they grieve because of the
wrong kind, whereby they reap some-
thing they never had in mind.

‡‡

The cost of living is to fall 66 cents be-
fore next fall.

‡‡

A new device is wall-paper made of a
thin shaving of wood. Wood not that
please you fire underwriters?

‡‡

Camels and monkeys cannot swim, of
all mammals. By the way, is a mule a
mammal? Does it suckle its young?

‡‡

"Yes," said the manager, "I began
life as a barefoot boy." "And I," said
the special agent, "wasn't born with
shoes on, either."

‡‡

Who wills success, comes nearest to
winning it first.

‡‡

Just suppose Jared or Methuselah had
had his life insured on the ordinary for
life plan!

‡‡

Our printing office has some fine sta-
tionery machinery.

The labor-man labor commissioner at
Washington announces that working-
men now produce as much in 8 hours as
they did 30 years ago in 10. Therefore
let us have a 6-hours day labor.

‡‡

The Austrian government declines to
exhibit at the San Francisco P. P. E. '15.
Neither has it forgotten the Austrian-
Phoenix.

‡‡

You can't polish the Polish risk too
much.

‡‡

"Young agents," said the manager,
"are too often old soldiers." Was he
speaking of young locals or young spec-
ials?

‡‡

Ships burn easily, no doubt, because
they are barks.

‡‡

The man who never scolds—Olds.

‡‡

The man who is never a myth—Smith.

‡‡

The man who always likes fun—Gunn.

‡‡

Worthy the Knapsack, this from
Puck: A bundle on the end of a stick is
a pretty sure sign that the man who
carries it has lost his grip.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

Life Insurance in Court

California—Western States Life Ins. Co. v. Lockwood et al. 135 Pac. Rep. 496

Judgment for Plaintiff Company—Duties of Officers—Individual Profits from Corporate Business

A president or director of a corporation cannot retain a secret profit obtained by him in violation of his fiduciary relation, but must account therefor to the corporation.

A president or director of a corporation cannot assume a position which is possibly adverse to his fiduciary duty, and therefore cannot contract, on behalf of the corporation, with himself as an individual, or with others with whom he has an interest, without the full knowledge and approval of the corporation.

He is bound to account to the company for proceeds derived by him from a contract made with a firm which had been employed by the corporation to sell its stock at a net price to the corporation, by which contract the president was to receive a percentage of the profits of the sales, and it was immaterial whether such contract was made before or after the corporation had employed the firm to sell the stock.

Paid-Up Stock—Statutory Provisions

The failure of a company to have its stock fully paid within one year after the issuance of its certificate, as required by Pol. Code, § 594, does not ipso facto end the corporation, or prevent it from continuing the work of obtaining stock subscriptions.

Duties of Officers—Adverse Interest

Where a newly organized corporation employed a firm to sell its stock at a fixed net price, a contract thereafter made by the president with the firm, whereby he was to receive a percentage of the net profits realized from sales in excess of the fixed price, placed the president in a position antagonistic to the prospective stockholders; and, since he occupied the position of a promoter toward them, he could be com-

pelled to account to the corporation for such profits.

A corporation is entitled to recover secret profits obtained by a promoter or director in violation of his obligations, even though the corporation was not damaged by the transaction.

"Earned"

The statement in the complaint that the firm sold stock at such a price that they "earned" a net profit of a certain amount does not import that the services were worth that much to the corporation, but only that they became entitled to that amount under the terms of the contract.

The rule that a corporation must pay value for what it receives, even though an officer violated his duty in connection therewith, does not apply in an action by the corporation to recover from an officer secret profits, made by him in a transaction which he was forbidden by law to make.

Action by the Western States Life Insurance Company against Arthur D. Lockwood and another. Judgment for the defendants, and plaintiff appeals. Reversed and remanded.

Substantially, the case made by the complaint is as follows: Plaintiff is a corporation incorporated on October 11, 1909, under the law of this state, to do a life insurance business therein. Its articles of incorporation provided for a capital stock of \$1,000,000, divided into 100,000 shares of the par value of \$10 each. On October 16, 1909, it entered into a written agreement with the partnership firm of Pratt & Grigsby, by which said firm agreed to sell all the capital stock of plaintiff within one year from the date of its incorporation, and to pay plaintiff therefor \$13 per share for the first 50,000 shares sold and issued, and \$15 per share for the remaining 50,000 shares, making in all \$1,400,000, said sale to be without expense of any kind to the plaintiff. On October 19, 1909, said Arthur R. Briggs, defendants' testator, was elected president

of plaintiff corporation, and from that day to and including October 11, 1910, was a director and the president of said corporation. In January, 1910, "he demanded of said Pratt & Grigsby a sum equal to 22½ percent of the net profits earned, or that would be earned by said Pratt & Grigsby from the sale of the capital stock of plaintiff corporation under and by virtue of the agreement between said Pratt & Grigsby and plaintiff," and "threatened to resign as president of plaintiff, and that he would not render further service as such president in aiding said Pratt & Grigsby in the sale of the capital stock of plaintiff" if Pratt & Grigsby refused to pay him said amount.

Pratt & Grigsby, "well knowing that without the aid, assistance, and co-operation of said Arthur R. Briggs they would be unable to sell the entire capital stock of plaintiff within one year from the date of the incorporation of plaintiff as provided in their agreement and by law," thereupon agreed to pay him the percentage demanded. They did sell all the stock as provided in the agreement between them and plaintiff, and prior to October 11, 1910, paid to plaintiff therefor the sum of \$1,400,000. They sold the same at such price that they "earned a net profit of \$180,000," and in pursuance of their agreement with defendants' testator paid to him at various dates between March 7, 1910, and September 22, 1910, amounts aggregating \$40,500, being 22½ percent of their net profits of \$180,000. Plaintiff and its board of directors never knew anything about the transaction between Mr. Briggs and Pratt & Grigsby until after the death of the former, which occurred October 24, 1910, and never authorized, consented to, or acquiesced therein.

On June 13, 1911, which was within the time allowed by law for that purpose, the plaintiff presented to defendant executors its verified claim against the estate of Mr. Briggs for \$40,500, based on the facts stated, together with interest, and said executors failed to take any action thereon within 10 days after said June 13, 1911, or at all. Treating such failure as a rejection of the claim by the executors, as it had a right to do (Code Civ. Proc. § 1496), plaintiff com-

menced this action on September 5, 1911.

Pratt & Grigsby were to receive as their compensation from the plaintiff all sums they could obtain from the subscribers in excess of \$13 per share on the first 50,000 shares, and \$15 per share on the second 50,000 shares, they further agreeing to fully complete their work and make all the required payments to the corporation within one year.

While director and president, Mr. Briggs acquired and retained, without the knowledge of the corporation or his fellow directors, a personal and pecuniary interest with Pratt & Grigsby in their contract of employment with the corporation while it was still unexecuted on their part, resulting in the receipt by him of the \$40,500 here involved. It cannot be doubted that as president and director it was his duty to guard the interests of the corporation in any matter that might arise in reference to this contract. It is manifest that so long as the contract remained unexecuted by Pratt & Grigsby, questions might arise between the corporation on the one hand and Pratt & Grigsby on the other. The fact that the contract had been entered into did not, by any means, conclude all possible questions between the contracting parties. It was conceivable that Pratt & Grigsby might fail to fully perform their undertaking within one year from the date of the incorporation of plaintiff, with the result that the effect of such failure under the terms of the contract would have to be determined.

We find no other matter in the briefs requiring discussion.

The judgment appealed from is reversed, and the cause remanded for further proceedings not inconsistent with the views herein expressed.

Marine Insurance in Court

Federal — American - Hawaiian S. S. Co. v. Bennett & Goodall et al. 207 F. Rep. 510

Shipping — Charters — Limitation of Liability of Charterer

Where a vessel is insured by the owner, a charter of the same, which is a demise of the vessel, may lawfully limit the liability

of the charterer to such loss or injury as is not covered by the policies of insurance, even though the vessel is without motive power and must be towed.

Cause of Loss—Negligence of Owner, Master or Crew—"Perils of the Sea"

A policy of insurance against perils of the sea covers a loss by stranding or collision although arising from the negligence of the insured or of the master or crew.

The striking and stranding of a lighter while being towed in the usual manner in Napa creek, which is a tidal tributary of San Francisco Bay, was due to a peril of the sea within the terms of an insurance policy thereon.

The trial judge found from the evidence, most of which was heard by him in open court, that it was not lost by reason of any willful misconduct or neglect or willful act of any kind by any one. The evidence shows without dispute that at the time of the accident the lighter was being operated in the usual way that such vessels are operated in the waters of Napa creek, to-wit, by means of a gasoline launch at the time in charge of an employe of the Napa Gravel & Material Company, named Lattimore, and much of the oral testimony tends strongly to show that there was no negligence on either his part or that of his employer; but assuming that there was such negligence, and that Lattimore could be regarded as the employe of the Bennett & Goodall corporation, it was, we think, clearly a loss against which the owner was insured by the policy held by it.

"A policy of insurance against perils of the seas covers a loss by stranding or collision, although arising from the negligence of the master or the crew, because the assurer assumes to indemnify the assured against losses by particular perils, and the assured does not warrant that his servants will use due care to avoid them." *Liverpool, etc., Co v. Insurance Co.*, 129 U. S. 397, 428, 9 Supt. Ct. 469 (32 L. Ed. 788.)

In 26 Cyc. 660, it is said:

"The general rule is that where the immediate cause of a loss is a peril of the sea insured against, the underwriters are liable notwithstanding such loss would not have occurred except for the negli-

gence of the insured or that of the master, crew, or other agents or servants" — citing a large number of cases.

That the unexpected striking and stranding of a vessel in tidal waters is a peril of the sea does not admit of question. *Fletcher v. Inglis*, 2 B. & Ald. 315; *Letchford v. Oldham*, 5 Q. B. D. 538.

The loss here involved being covered by the insurance and being expressly excepted from the obligations imposed upon Bennett, & Goodall by the charter party, it results that the judgment must be and is affirmed.

Action Against Fire Insurance Broker

Connecticut — *Cheshire Brass Co., Inc., v. Wilson*, 86 A. 26

Refusal to Disclose Insurers—Pleading

In an action against an insurance broker for refusing to disclose the names of the companies in which property was insured, plaintiff must allege that the broker had procured plaintiff's property to be insured before any duty is shown to state any such names.

Duty to Disclose Names of Insurers—Proof

In an action against an insurance broker for damages on account of a negligent failure to disclose the names of the insurers of plaintiff's property, the burden is on the plaintiff to show that he had made reasonable effort to learn the names.

Agency

An insurance broker employed to procure insurance is the agent of the party seeking insurance until the insurance is procured, but, after that, he ceases to be agent of the insured, and has no authority to waive or receive notice of the cancellation of policies, although he has not yet delivered the policies to the insured.

Damages for Nondisclosure of Insurers—Pleading

In an action against an insurance broker for refusing to disclose names of insurers of plaintiff's property, where the plaintiff claimed damages for the entire amount of the insurance it had lost, but made no claim for trouble and expense incurred by reason of delay, no damages could be re-

covered for such delay and expense of making proof against the insurers.

New Trial—Nominal Damages

A new trial will not be granted to enable a party to recover only nominal damages.

Cancellation of Policy—Validity

Where broker procures insurance for plaintiff, but by his fraud causes the insurers to cancel the policies, and replaces them with others so as to get a rebate of premiums paid, the fraud was practiced on the insurance companies, and his relations with plaintiff were not affected.

Presumptions—Delay in Rendering Judgment—Consent of Parties

Where the court delayed rendering judgment until two sessions of the court had passed, but the judgment file states that the case was regularly continued, and the court had received no notice that it was intended to raise the question, it will be held on appeal, in the absence of any showing to the contrary, that the delay was with the consent of the parties, and not erroneous under Gen. St. 1902, § 510, prohibiting continuances to the second session or term after the term in which action was commenced.

A Washington Decision

Under a provision in a policy which groups several buildings together under various items, and specifies the amount of insurance on each item, that the loss should attach to each of the buildings under the several items in the proportion that the value of each bore to the value of all, the entire amount of the insurance for each item does not apply to anyone building thereunder. — *E. H. Stanton Co. v. Rochester German Underwriters' Agency*, 206 F. 978.

Insurance Code Wash. adopting the New York standard form of policy does not repeal section 34 of the same code providing that a breach of warranty shall not avoid the policy unless it contributed to the loss.

Under Insurance Code Wash. 1911, providing that a breach of warranty shall not avoid the policy unless it contributed to the loss, the failure of a watchman to report to the central station every hour, as required by the policy, does not avoid the policy

where he promptly turned in the alarm.—*Id.*

A policy on dwelling house and furniture held avoided as to both dwelling house and furniture by the giving of chattel mortgage on the furniture. — *McKernan v. North River Ins. Co.*, 206 F. 984.

Policy of insurance held avoided absolutely and for all time by giving of chattel mortgage, and not reinstated by the payment of the debt secured by the mortgage prior to the loss.—*Id.*

Fire Legal Epitomes

Fire policy construed, and held to require insured to furnish a statement of the damaged property remaining after the fire, but not to make a complete inventory of articles in the store before the fire occurred.

Where insured acts in good faith and discloses such information as the insurer requests, the provision of the policy relative to proof of loss should be liberally construed in aid of the indemnity contemplated by the parties.

An insurer, who furnished such proofs of loss as were requested in so far as he was able, held entitled to recover, though the inventory furnished was not a complete statement of all the goods in his store prior to the fire, especially where defendant company retained same 45 days before objecting.

An insurance company which retains proofs of loss without objection for over a month will be presumed to have waived defects.—*Bingell v. Royal Ins. Co.*, 87 A. 955.

An agent who had authority to issue and countersign policies and collect the premiums may waive a condition rendering the policy void in case the property is incumbered.—*Manning v. Connecticut Fire Ins. Co.* 159 S. W. 750.

Where an insured's agent telegraphed that the insured would not accept a change in the rate, and asked if the policies would stand, to which the reply was that the companies demanded a higher rate, whereupon the insured's agent wrote back that there was nothing to do but cancel the policies, there was an agreement for the cancellation relieving the companies from giving notice

of cancellation. — *Northern Assur. Co. v. J. J. Newman Lumber Co.*, 63 So. 209.

Fire Legal Brevities

Any expression by a fire insurance agent indicating satisfaction on being informed by assured that the property is vacant held sufficient to constitute a waiver of a vacancy condition; but a mere direction to assured to bring in the policy for indorsement is not sufficient. — *People's Nat. Fire Ins. Co. v. Jackson*, 159 S. W. 688.

A vacancy clause in an insurance policy may be waived by words or conduct of the agent who took the application, issued the insurance, received the premiums, and delivered the policy, though the policy provides that such waiver can be accomplished only by a writing indorsed on the policy. — *Id.*

Account books of insured held not to comply with policy, requiring the books to show a complete record of the business, including purchases, sales, and shipments, both for cash and credit. — *Phoenix Ins. Co. of Hartford v. Bourgeois*, 63 So. 212.

While a provision of a policy requiring the keeping of books of account showing the business transacted will not be technically construed, the books are insufficient if the actual value of the property destroyed cannot be ascertained therefrom with reasonable certainty. — *Id.*

Where proofs of loss stating that the property was used as a dwelling were received by the insurer without protest, and insured was not asked to furnish any additional information, the objection that the proofs did not state by whom the insured building was used, as required by the policy, was waived. — 88 A. 413.

Accident Legal Brevities

Where the question in issue was whether insured had changed his occupation to one more hazardous, or at the time of his injury was engaged in doing an act pertaining to a more hazardous occupation, the court properly excluded testimony as to what classification the company would have placed

insured in under the evidence. — *Scott v. Pennsylvania Casualty Co.*, 87 A. 963.

Liability Legal Brevities

Under plaintiff's employer's liability bond to a railroad company, insuring agents, the sureties on an indemnifying bond of an agent to plaintiff held not relieved from liability for the agent's subsequent default because of the railroad company's failure to give notice to plaintiff of a prior error in the agent's account. — *Fidelity & Deposit Co. of Maryland v. Maile*, 142 N. W. 1087.

Burglary Legal Brevities

Under burglary policy, requiring accounts to be so kept that the actual loss might be accurately determined, held, that such a system of bookkeeping as was commonly used, and would enable a man of average intelligence to ascertain with reasonable certainty the loss sustained, was sufficient.

Held complied with by production of original invoices, inventory, merchandise account book, showing goods purchased from inventory to burglary, and cash book, showing cash sales during the same time. 63 So. 214.

Casualty Legal Brevities

Where a policy insured against a hernia requiring a surgical operation, a predisposition to hernia or a weakening of the inguinal ring causing the hernia to subsequently develop was not a breach of a warranty that insured was free from any functional or organic disease, mental or physical disorder, defect, etc. — *Hilts v. U. S. Casualty Co.*, 159 S. W. 771.

Colorado. — In 1912 the total gold production was of \$18,588,562, a falling off of nearly half a million. The Cripple Creek district produced 59 percent of this output. The production of the valuable metals amounted to \$37,320,966 value, an increase of \$4,902,748. The production of zinc was 132,222,812 pounds. There are 250 reduction mills in Colorado, of which 126 are idle and 9 are building.

The Hamburg-Bremen's net loss payments for San Francisco conflagration losses were \$1,612,201.

ONE THING AND ANOTHER

The gross loss paid by the Continental for the San Francisco conflagration was \$2,440,-219 63. Suburban quake fire loss was \$45,518,69. The total payment was \$2,485,-738.32. The net total was \$1,782,871, of which \$1,749,924 was paid for San Francisco losses.

* * *

In his presidential address before the British Association Sir Oliver Lodge said: "The vagaries of a fire or a cyclone could all be predicted by Laplace's calculator, given the initial positions, velocities, and the law of acceleration of the molecules; but no mathematician could calculate the orbit of a common house-fly."

* * *

The completion of the Panama canal will probably affect the sailing ship industry. Sail power vessels will not use the canal because the Caribbean sea is a region of calms. If steam freighters, using the canal, can compete with sail freighters which go round Cape Horn, the latter will cast anchor for all time. It is fair to assume, at least, that the Panama canal will reduce the number of sailors.

* * *

How unlike a potato is man! Take a load of potatoes and shake 'em up over rough roads, and the little ones come on top. Take a lot of men and shake 'em up over the rough roads of life, and the big ones come on top.

* * *

New Zealand.—The state fire insurance department does not charge itself with rent nor with the services of its postal and other department employees, and yet its expense ratios as well as loss ratios have been as high as those of the stock companies. All the better classes of property owners insure with the regular companies, which offer better cash security. The state department is now actively soliciting business and has paid agents, and it is probable that its expense ratio will rise to 35. Losses by fire in

New Zealand are the highest per capita in the world.

* * *

Forgive and forget, for it adds to your years and diminishes fears, you bet.

* * *

Immigration is increasing. This may due to good times—or the fear of a general war in Europe. April, May, June and July exceeded in aliens the similar "high water" months in 1910. But, on the other hand, the highest inflow of aliens was in 1907 prior to the panic.

* * *

The Panama canal lies due south of Key West, Fla. Ships can steam almost due south, from New York to Valparaiso. It puts our Atlantic seaports into easy water communication with the west coast seaports of South America. The canal will give our Pacific Coast seaports no valuable trade with the east coast cities of South America. The canal brings the Australian cities no nearer in point of time, to London. Wellington, N. Z., however, will be three days nearer via Panama. Vancouver, B. C., will be twenty days nearer.

* * *

In youth we grow bolder as we grow older; in age we grow meeker as we grow weaker.

* * *

Where did Thompson get the p ?

* * *

The giant sequoias of the California Sierras do not make good lumber. They are not true redwood, such as grows near the coast.

* * *

The manager's obligation is to the company and not to the man.

* * *

Justice always before sympathy, young man.

* * *

We are what we do.

Any Insurance Men?

Under Heavy Bonds.—Eleven officials of the Los Angeles Investment Co. have been indicted for alleged fraudulent use of the mails by misrepresentation. The concern has been paying dividends as high as 34 per cent, some of which was paid on 821,000 shares of stock on which not a cent had been paid. Some of the officers had appropriated this stock. Stock sales were \$4 a share, but fell last week to \$1.19. The ex-officers out on bail are: Chas. A. Elder, Wm. D. Deeble, Geo. M. Derby, Chas. Cassatt Davis, H. D. Rogers, Chas. L. Eagley, Fred L. Mowder, Ernest Ingold, A. P. Thomson, Earl B. Elder, and W. Francis Gates.

The Growth of Canada

At one of the Metropolitan Life's recent Dominion conventions the Hon. Rudolphe Lemieux said:

"You have truly said that our population in Canada was fast increasing—one thousand a day—but for many years, many long and lean years, our population had been going to the United States of America, and for one who knows the history of the Civil War, it is now a matter of history that at least forty thousand Canadians fought for the Star Spangled Banner. (Applause.) Canadians, even in a foreign land, never shamed their stock. They always lived up to the reputation of their forefathers. But now the tide is on us: The stream is our way, and every day there are coming from the United States the cream of emigrants. We welcome them. They will make excellent Canadian citizens—law-abiding citizens, and I dare say they will increase the receipts of the Metropolitan Life Insurance company. (Laughter and applause.)"

Therefore Insure Your Life

Death is no respecter of peers, persons, parents, partners, places, padlocks, popularity, pulchritude, philosophers, planets, pleasures, patricians, plebeians, policies, presbyters, pontiffs, prayers, pretensions, priests, pirates, preachers, principles, principals, politics, princes, prisons, purple, purpose, nor purse.

Merchant Ships

The carrying of sail by steamships has been one of the last vestiges of the old navigation to disappear, but when that is admitted it will come as a surprise to many people that in an excellent book on the British merchant service, published in 1898, there are only about half a dozen photographs of steamers which are obviously not intended to carry sails. And now it would be almost a fruitless task to try and discover a steamship that could, even if she would, spread one sail to the breeze. But greater changes than these have taken place in the merchant service in fourteen years. The world moves rapidly, we know, but in nothing does it move more swiftly than in the development of ships. — Frank T. Bullen.

Income Tax Savings to Policyholders

The new income tax provides that the proceeds of life insurance policies paid upon the death of the person insured or payments made by or credited to the insured, on life insurance, endowment, or annuity contracts, upon the return thereof to the insured at the maturity of the term mentioned in the contract, or upon surrender of contract, shall not be included as income. On the business of 1912, returns here described were as follows:

Death claims	\$205,154,837
Endowments	55,712,220
Annuities	7,767,337
Surrender values	87,388,216
Dividends to policyholders	<u>92,795,105</u>

Total paid policyholders
and beneficiaries \$448,817,715

No figures are available for estimating what the clearing up of this provision has saved policyholders and beneficiaries, for, of course, the provision would have applied only to those whose entire income is taxable under the law, namely, unmarried persons receiving in excess of \$3,000 a year and married persons receiving in excess of \$4,000 a year.

Mr. and Mrs. F. H. Porter will be "at home" on December 1. They return from the East this week.

SEVERAL and SUNDRY

A Word or Two About Insurance Journalism

Trade journalism of any kind is the voice of that trade. It speaks as no tradesman or group of tradesmen can speak, to many attentive listeners and with far-reaching effect.

The insurance journal is, in its own way, a "trade" journal, giving voice to that form of business which makes trade and persons and families secure. It furnishes, instantly, with stimulating effects, many minds with facts and statistics and reasons necessary to the intelligent, efficient and expeditious transaction of business.

In a day or a week the insurance journal easily imparts to many insurance men the useful things which the companies could otherwise impart only with labor and much time and at great expense. It is worthy of note that the trade journal, often of daily issue, is much better supported with advertising patronage by merchants of relatively small capital. And yet insurance companies have no newspaper friends excepting only the insurance press.

There are great and wonderfully excellent and serviceable trade journals. But there are no great insurance journals. Not one, for example, that compares with the Dry Goods Economist or a hundred other organs of trade. Why? Because insurance advertising is divided and redivided, and parceled out to a hundred good fellows, without regard to merit or service. Special excellence is never rewarded by a special advertisement. No; "the appropriation is exhausted."

There are no insurance newspapers—because they are not issued more than once a week. The "news" is always a week or two weeks or four weeks old stale gossip—except when the Coast Review helps its contemporaries by issuing an extra. There is no insurance daily paper. The insurance weekly is a joke—its "news" has been the gossip of the lunch table or the club.

Marine losses this year, the world over, are estimated at 20 percent less than last year up to date.

Dangerous Tourist Coaches

Tourist rates of travel include tourist sleeping coaches at about half the rates charged the "first classers." The accommodations are not only inferior in the tourist sleepers but the danger is greater. The tourist sleepers are very old, being those used a generation or more ago for the accommodation of those who traveled "first-class" in the '80's. These cars are somewhat dilapidated, however repaired. In collision or derailment they would easily splinter, collapse and telescope. The old wood of these coaches would ignite and burn like tinder.

Three-times Told Tales

"It is strange," said the president of the big railway corporation, "how that dinged little stock-broker knows everything we do or are about to do." The president was talking with one of his large stockholders. "I don't know how to keep him ignorant of our inside workings." "Oh," answered the stockholder, "as to that, why not make him a director?"

They were seated in the Delmonterey fashionable restaurant. Col. Brown ordered a choice, gamey t-bone steak smothered in onions, and recommended the like to Col. Jones. But the latter said "Not for me, for Mrs. Jones would certainly smell my breath, and she detests onions." "I assure you," said Brown, "that your wife will never detect the onion odor, for the bill will quite take your breath away."

Fire—The C. A. Smith Lumber Co. loss at Bay Point, Cal., in August last, was finally adjusted at \$542,601, last month. Lloyds of London, which association of pirates pays no taxes, pay \$112,314. Mutuels and a number of non-tariff offices pay the rest.

Accident—The explosion in a coal mine in Wales destroyed 417 human lives. A week or so later a similar explosion in a coal mine in New Mexico killed 200 miners.

Walla Walla Fire

The receiver of the Walla Walla Fire has collected from H. Parker \$100,000 in final settlement of the defunct company's claim against him as the founder. This will enable Receiver Dorsey M. Hill to pay creditors a dividend of about 40 percent.

Calumet Comes a Cropper

At last, as we expected, the Calumet has quit. It should have done so after it settled San Francisco losses at 50 cts. on the dollar. The National Union is the reinsurer. The Calumet people were in the Traders people class. Enough said. Chicago companies have no good reputation.

Motor Fire Truck for Small Town

San Leandro, Cal., Nov. 7. — The board of trustees has agreed to purchase a motor fire truck. The cost of the machine will be \$5,950, and it is thought that it will meet the needs of town. The old fire engine was recognized to be obsolete. The truck was selected from a large number of other types considered by the trustees.

A Vancouver Scheme

California authorities have checkmated the National Mercantile Co. of Vancouver, B. C., which is playing the old coupon game, with first comers served and late comers bilked. It is the old "endowment" scheme in a new dress. Twenty-five years ago there were twenty-five of these frauds in California.

A Liverpool & London & Globe Employee

G. E. Palmer, a San Francisco insurance clerk, went rowing and disappeared, leaving his coat in the drifting boat.

Connecticut Fire

The objections to the merger of the Connecticut Fire with the Phoenix, by holders of 5 percent of the stock, have been submitted to the state insurance commissioner of Connecticut, who has authority in the matter. He declines to take any action. This settles the matter. Meantime the Pacific department of the Connecticut is increasing its business.

Manager B. J. Smith has been with the Connecticut Fire 35 years. Assistant Manager Guy Francis has been with the company 20 years.

Managers Meet

The department managers of the Royal and the Queen met in Garden City, L. I., Nov. 5, 6 and 7. General Manager George Chappell from the home office in Liverpool was present. This was the annual meeting, at which the American and Canadian managers compare notes and plan to promote the business of the two companies on this continent. Pacific Coast Manager Rolla V. Watt was among those attending this meeting.

General Agent Dixwell Hewitt of the Hartford Fire is in the East.

People's National stock, \$25.00 par, sells at \$16.50.

Fire Association stock, \$50.00 par, sells at \$330.00.

J. H. Ankele has been appointed agent for the National-Commercial Underwriters Agency, to enter California November 15. This is the National Fire and the Commercial of Washington, both at present non-board.

Quite a clever advertiser is the Mutual Fire of Portland. But what about a few years from now? We have it in our scrapbook. Oh what a difference in the morning!

Liverpool & London & Globe Meeting

The annual conference of the United States and Canadian department managers of the Liverpool & London & Globe was held last month at Hot Springs, Va. But nobody was in hot water. The Pacific Coast department was represented by Manager John W. Gunn.

A Company Worth Having

The Westchester, 76 years old, has \$5,363,271 assets and \$1,415,916 net surplus. B. J. Smith of the Connecticut Fire will represent it on this Coast after next month.

Awkward Tax-Gathering

San Francisco assesses its taxes, guesses what it needs and always guesses too low. Result, every year the tax-payer must hasten, on peremptory notice, to the tax collector's office and pay a special "balance due" of 5 or 7 percent of the total due. Business men would not "due" so.

Life Men Meet

The Life Underwriters' Association of San Francisco met Friday evening, November 14, and listened to a report of the convention at Atlantic City. W. L. Hathaway of the Mutual Life donated a beautiful trophy, to be competed for by the several Coast associations. The Ben Williams memorial prize to R. O. Miles was formally presented. Geo. R. Stiles, manager for the Mutual Benefit, was elected a member of the association.

San Bernardino county, Cal., is now so dry that "wineries and vitners" are refused a license. Grape-growers are still permitted to grow wine grapes and ship them out of Noah Adair's county.

Chapman & Nauman get Metropolitan agency for the Germania.

Geo. C. Pratt has returned to the Pacific Coast. He has been with the New Amsterdam for many years in New York. He was at one time with the old California.

Youtz of Los Angeles has been convicted of issuing and publishing a false statement of the Merchants & Insurers Reporting Co., repeatedly denounced by the Coast Review. Joshua E. has an unpleasing record in Ohio. Youtz has asked for probation.

General Agent Johnston of the North America, who recently returned from the East, is now in British Columbia.

Oregon.—The workmen's compensation bill has been approved by the voters again. It is to be the law.

Just think of insuring bullseyes in the sidewalks on which boxes and barrels and bombs are dumped, at 5 cts each — and weep.

Colorado.—Pueblo has voted to allow its millionaire industrials and its big mercantile stocks and its automobiles, etc., to go untaxed for city purposes. Only the owners of town lots are to be taxed. It looks like confiscation by socialists and other irresponsibles. Many years ago a Frenchman advanced the single-tax-on-land idea. Mills then mentioned it sympathetically. Then the visionary Henry George took up the idea. Since then all the ill-balanced-but-at-large folk have regarded it as the panacea for all the ills of government and of poverty. What fools these mortals be.

Oakland, Cal. — The local board held its quarterly meeting and banquet last week. Geo. D. Troy, president of the board, who is local agent of the Liverpool & London & Globe, presided. During the last quarter, it was reported, there were few complaints against members. A tribute of respect was paid the late J. W. Mott, agent for the Pelican.

LIFE INSURANCE

Much and More Life Insurance Twisting in California and Elsewhere on This Coast

Commissioner Done of Utah would have his hands full if the California twisters should move to his state. Here they are active, bold, resourceful, original and piratical. Like burglars sure of their "fences," the California twister is sure of his company willing to receive and pay for the stolen goods.

The favorite because easiest work of the twister is to persuade a policyholder to cash in his policy and then take out a new policy at a much greater cost. The average policyholder greedily swallows the silver hook, sucker-like, and risks his family protection fund in some speculation. After awhile his new policy cost becomes irksome and he finds he has been buncoed by the promises of the unscrupulous twister who is too lazy and incompetent to persuade uninsured men to insure their lives.

In San Francisco an active man of this ilk, one Case, poses as an expert and analyzer of the contract. In this way he sees the policy, writes an analysis calculated to do him good and do the policyholder too. For this service, in the form of a beautifully written disturber, he charges \$25, as we are told, and then persuades his dupe to surrender his policy and take out a new policy at a much larger annual cost per \$1,000. His proposition looks good on paper. Give up this policy for \$10,000, for your insurance is only \$5,000, the surrender value of \$5,000 being yours anyway. Now take out a \$10,000 policy—with me, of course. You will then have \$10,000 insurance, whereas now you have only \$5,000. Besides you have \$5,000 cash to operate with.

Looks good—on paper. But this man pays much more for his \$10,000 than for the \$5,000 protection which he unwisely forfeits. He will pay, probably, a big pile of premiums and soon have far less than the attractive \$10,000 insurance, for meantime he has been piling up a sinking fund. But he doesn't think of that. After a while he will

wake up and wish he could safely club to death the specious agent stranger who took him in.

This agent has long been employed by the Northwestern Mutual Life. At one time, we are told, one went about saying he had a special commission from the home office of this company, to invite its policyholders to surrender their old policies and take out new ones in the same or larger sums. His raw work became too irksome to the Milwaukee management, and now, it appears, he must twist only from other life companies.

Some Questions Answered

1. Who owns the Equitable Life? What dividend is paid stockholders?
2. What was paid some time ago for the controlling shares of the capital stock?
3. Having only \$100,000 capital, how comes it that the Equitable does business in California, where \$200,000 capital stock is required?

Ans.—1. The Equitable Life is owned by its stockholders. The controlling interest is held by the estate of J. P. Morgan, the late financier. The annual dividend is restricted to 7 percent.

2. The amount paid by Ryan, the financier, for the controlling shares (\$51,000) held by the Hydes was some \$2,000,000. What amount was paid Mr. Ryan for these shares of the capital stock by Mr. Morgan has never been made public. The control of the society (at present by trustees) is of course worth a good deal of money to any financial house able to direct the investment of its great funds in safe railway and other bonds.

3. Some time ago the California insurance department discovered that all previous interpretations of the law were superficial and of no learned length. The law by the new interpretation required every stock life insurance company to have \$200,000 capital stock. Two companies thereupon doubled their capital stock. The insurance department with the microscopic eye then carefully re-read the law and made the amazing discovery that any stock company, though

writing policies on the mutual plan, was still a stock company, under the law, unless it gave its policyholders some nominal voting share in the management, in which latter alleged event such company ceased to be a purely stock affair and became truly a mutual. The Equitable was permitted to continue in business in California with its small \$100,000 capital. The California state insurance commissioner had made clear the difference between tweedledum and tweedledee.

2,000,000,000 People

Statistics of recent compilation indicate that for some time past there have been no fewer than TWO BILLION PEOPLE on this globe. Fewer wars, fewer pestilences, better sanitary conditions, better surgery and more scientific treatment of bodily ills are responsible for the speedy addition of half a billion to the world's population.

Only a handful of the two billion is life insured, and they are in the few more enlightened countries.

There is practically no life insurance in Asia and Africa.

The number of impaired lives is enormously increasing because the number of impaired people preserved by modern medicine is enormously large. They are preserved to reproduce their constitutional weaknesses and congenital defects.

The average physical condition of humanity is declining, and this fact cannot be attributed to wars.

This decline means a greater need for the protection of life insurance.

The average age of humanity, it is asserted, has in fifty years advanced from $33\frac{1}{2}$ to 40 years. But the average age of men and women past 30 has increased nominally or not at all.

The great problem of the next half century will be the feeding of the more than 2,000,000,000 inhabitants of earth.

Science must come to the rescue!

The world must be taught that the uninsured man is probably uninsurable because an impaired life. Even if rich—if riches are permitted by the socialists—the uninsured man will be regarded with suspicion and contempt.

The number of life companies must be doubled, trebled and quadrupled.

Life insurance must be taught in the schools, together with the fact that only the ignorant neglect, refuse and oppose life insurance.

Society must protect itself by requiring life insurance as a condition of marriage, and the continuance of life insurance protection up to at least a stipulated year as a condition of citizenship.

Otherwise society must continue to support the widow and the orphan, and bury the poor dead, with money taken out of the public treasury—an increasing drain on the public resources now taxed to the breaking point.

The world was never so near starvation as it is today.

It will be much nearer 50 years from now.

Wooden shoes and meatless dinners are among the possibilities of the near days when the world will have too many people.

If you don't want your children and grandchildren to wear wooden shoes and dine on bread and water, invest some of your savings in life insurance and some in property approved by the socialists.

The worst features of socialism are that when supported by the state and working only two hours a day the socialists will breed like rabbits and have no use for life insurance, banks or books.

The Dominion conventions of the Metropolitan Life were held in Quebec, Montreal, Niagara Falls and Winnipeg. Vice President Haley Fiske conducted these largely attended and very successful meetings.

The appeal of the minority stockholders against appraisal of the Prudential assets for the purpose of mutualization has been dismissed.

The Modern Pension Life with a promised million capital is interesting Chicago investors. It seeks to fill a long felt pension want. But alas! the principal promoter is Charles M. Turner, formerly of the Binghamton company.

Tupper is to land again on his feet as manager of the merged Republic Life and Pioneer Life.

Story of Industrial Insurance

President Forrest F. Dryden, of the Prudential of Newark, has contributed to the Insurance Monitor an interesting account of the history of industrial life insurance summary, from which we quote:

Out of Founder Dryden's project an enormous business has been developed in the course of thirty-eight years following the establishment of the Prudential. What at first was considered a visionary experiment in an untried field, has become the business success of the present age. When Mr. Dryden's article on "The Inception and Early Problems of Industrial Insurance" was published in the Insurance Monitor in 1903 the number of industrial policies in force in the United States as of December 31, 1904, had reached 15,674,384, insuring \$2,135,000,000 of industrial life insurance protection.

Of United States companies there were in force December 31, 1892, 5,200,777, and ten years later, 13,448,124, an actual increase in that time of 8,247,347 policies. Ten years later, on December 31, 1912, there were 26,363,546 policies in force, an increase for the second decade of 12,915,422.

Many industrial companies have come into existence during the intervening period, and while some have discontinued the business and others have been amalgamated, not a single industrial company organized on legal reserve principles has failed. On December 31, 1912, there were twenty-eight companies transacting industrial life insurance, with 26,363,546 policies in force, insuring \$3,661,880,982 or industrial insurance protection.

The industrial premium income of twenty-five companies, for which the information could be secured for the year 1912, was \$124,930,315, but, in addition thereto nineteen of these companies had an ordinary premium income of \$76,019,593, or a combined total of \$200,949,908. Including interest and income from other sources than premiums, the total income of the industrial companies in 1912 was \$237,039,599. The companies paid \$81,677,591 to their policyholders during the year 1912, of which \$41,179,544 was on account of indus-

trial claim payments, including mortuary dividends, and \$7,771,782 was paid in dividends on other accounts.

The total payments to industrial policyholders during 1912 amounted to \$52,535,010, and, in addition thereto, the companies held in reserve for the benefit of industrial policyholders the large sum of \$349,987,191.

From 1871 to 1875, inclusive, there were 20,935 pauper burials, representing a rate of 23.7 per 10,000 of the population.

The rate had decreased to 10.4 during the five years, 1906-1910, and during 1911 and 1912 was further reduced to 9.7.

Legislative Season, 1913. Report of the Associated Fraternities of America

ARIZONA: Adopted the New York conference bill.

CALIFORNIA: Legislature met January 1st. Mobile bill in force. No amendments. Efforts to secure adoption of the New York conference amendments not successful.

COLORADO: Legislature met January 1st. Mobile bill in force. Strong effort to amend and to repeal defeated. Effort to secure adoption of the N. Y. C. amendments unsuccessful. Attitude of department throughout session calls for appreciation of all societies.

IDAHO: Legislature met January 6th. Co-operation of fraternalists good. Department's efforts highly appreciated. Mobile bill in force. N. Y. C. amendments adopted in full. No other laws affecting adopted.

MONTANA: Legislature met January 6th. Mobile bill in force. Effort to have the N. Y. C. amendments adopted unsuccessful. No bills affecting adopted. Several bills introduced but not passed.

NEVADA: Legislature met January 20th. No laws affecting passed. No opposition manifested to "New York conference bill" but inability to secure effort among the societies therein resulted in failure to secure action.

NEW MEXICO: No bills affecting adopted. Department and local fraternalists promise adoption of N. Y. C. bill without fail at the next session of legislature.

OREGON: Legislature met January 8th. Mobile bill in force. Flood of bills affecting all forms of insurance introduced. Insurance committees in joint action reported adversely on all, including N. Y. C. amendments.

UTAH: Legislature met January 13th. Mobile bill in force. Department and local societies in full co-operation for adoption of the N. Y. C. amendments, which only failed of being secured through being blocked in legislative machinery. Effort of department merits gratitude.

WASHINGTON: Legislature met January 8th. Mobile bill in force. Through change in department action not secured upon N. Y. C. amendments. No opposition manifested and prospects good for adoption at the next session. No bills affecting passed.

WYOMING: Legislature met January 10th. N. Y. C. bill adopted. No other bills affecting passed. Gratitude of societies due to department and representatives of Wyoming societies.

Seventh Annual Meeting

The receipt of the following invitation is acknowledged: The Association of Life Insurance Presidents cordially invites you to attend its seventh annual meeting to be held at the Hotel Astor, New York, on Thursday and Friday, December eleventh and twelfth, nineteen hundred and thirteen.

Executive Committee—Robert Lynn Cox, chairman, Haley Fiske, Jesse R. Clark, W. A. Day, Alfred D. Foster, L. G. Fouse, Forrest F. Dryden, George E. Ide, Sylvester C. Dunham, Charles A. Peabody.

The main theme of the seventh annual meeting will be "The Response of Life Insurance to Present-Day Economic Needs." The elaboration of this theme will be in the nature of answers to the question whether life insurance as an institution is doing its full share in helping to meet the new problems of an advancing civilization.

This accounting of stewardship will include reference to the extension of life insurance activities into the field of business insurance.

It will show how life insurance companies are seeking to protect beneficiaries who are inexperienced in making investments, by providing monthly or annual income insurance instead of paying over a principal sum.

The matter of insuring insurance, as it has been termed, will be considered in a discussion of disability clauses in connection with which may appear an honest difference of opinion as to how far such a provision should extend.

Group insurance and its relation to the alleged demands being made upon large employers of labor for protecting the welfare of their employees will be discussed.

The dangers which attend the introduction of new features in life insurance, if carried too far under the stress of competition, will be emphasized by a consideration of the evils which have arisen in connection with too liberal policy loan provisions.

In addition to this economic inventory of purpose and accomplishment, further attention will be given to the problem of disease prevention in its relation to the longevity of policyholders. Eminent medical authorities will point out what is needed in the way of health reforms by the average American city and what may be reasonably expected as to health improvement within the next ten years.

Again, time will be devoted to the forward-look. With stability of life insurance established beyond a question of doubt, it is natural for men engaged in it to search for new fields into which it may be extended and to look for a wider recognition of its value by those now receiving its benefits.

Betterment of life insurance service, which afforded the slogan of last year's meeting, will again be brought to bear in the discussion of concrete questions, to the end that the best representative thought may be applied to the problems which confront executive officers.

The Commercial Life of Indiana is impaired again.

The life insurance solicitor is certainly worthy of his hire. He earns his commission. Lend him a helping hand.

Life Insurance in California

The complete returns of new business in California show great gains. The favorable totals of 1903-4 and 5 are far exceeded. A gain in 1913 like that in 1912 will make the total new business this year \$114,000,000. The gain last year was 35 percent.

Premium income is now in excess of the fire premium income in the state.

Losses and endowments paid were some \$7,000,000, which is considerably more than the sum paid for fire losses.

Payments to California life insurance policyholders for death and endowment claims average \$2.80 per capita.

Besides dividends paid policyholders in the past five years, the life insurance companies have paid Californians over \$31,000,000.

Life Insurance Legislation Needed Seems Never Favored

Bills dealing with life insurance seem always prepared by two classes—one, outsiders; the other, insiders.

The outsiders may truly wish to serve the public which insures, but they are ignorant and are too often merely politicians viewing the proposed legislation as making political capital.

The insiders usually prepare bills to further their own company and individual interests and embarrass the younger and weaker companies.

All this should be changed by co-operation and toleration.

A standard policy form is not needed in life insurance but printed forms should have some uniformity and registration. Contracts should be named in a way to prevent any deception by agents. Restrictive clauses should be segregated and designated.

It would be well, too, to prohibit duplication of other companies' policies, as pledged by the agent. Let

every company stand on its own printed policy. The "beware of substitutes" motto is well grounded in bitter experience. The man who knowingly accepts a substitute life policy has a weakness which invites deception.

Even in these better days of life insurance competition there is misrepresentation and the sale of the wrong policy because the different contracts have no positively distinguishing names.

Therefore we again recommend the naming of life policies on the back with a statement indicating the expiration of kept in force, as

This policy expires at the end of — —

This policy matures at the death of the insured.

This policy matures on — — or at prior death of the insured.

And also lines referring to the premiums, as,

Premiums are payable yearly during the lifetime of this policy.

Premiums are payable yearly until

From figures which have been compiled by the Association of Life Insurance Presidents, it is estimated that the income tax section of the tariff law, as compared with the original draft introduced, assures a saving of nearly \$3,000,000 a year to life insurance policyholders through company transactions, while an additional amount that cannot be estimated is saved to many of them or their beneficiaries in connection with paying taxes on their personal estates.

Are You a Pagurian?

Don't be a pagurian. Own your home—and a mortgage if necessary, with a life insurance policy to lift it.

It never pays to hold a grudge.

Selling Life Insurance

Make no mistake about it, no other profession in the world will give you such clear insight into the different kinds of people, their character, etc., as that of life insurance. The dealings of the life insurance agent with the public are different from those of the lawyer, the minister, the teacher or other business man. His chief asset is to properly understand human nature, and the degree of his success depends largely on the width and depth of that knowledge. Ask any successful agent who has won his own way in the insurance business and he will tell you that his success came from the great school of experience, where he first learned to know human nature.

Knowledge of people helps you to meet them fearlessly, enables you to think quickly and clearly while you are talking with them, and helps your will to dominate their will.

YOUNG MEN ARE ENTHUSIASTIC

A young man may think himself too young to enter the life insurance business at age twenty-five, but this is an error. Most people like to talk to earnest young men who are making their own way in life, and are glad to help them. Besides the money he makes, the young man is constantly gaining experience and the opportunity of brightening up his own mind, and all this may be worth thousands of dollars to him later in life.

While other people are waiting for employment, the insurance man makes employment for himself. No other profession gives him better control of his own income and depends so little on the will of other business conditions.

SUCCESS COMES WITH EXPERIENCE

The insurance agent must keep in mind, however, that he cannot expect to earn success by a few months' trial in the business, but he should respect his profession by going about his work

in a systematic way, and in time he may well realize his desire.

As a rule, the successful insurance representative is a whole-souled, good-natured man, socially as well as commercially. Contact with the different types of mankind has broadened his views, increased his pluck, his tact, his talent and has made him the soul of honor. He is confident, not bold; frank, not familiar; shrewd, not sharp; diplomatic, not crafty; in a word, the successful man is a man among men, carrying his head erect, looking other men in the face, only as independent, self-reliant men can.—T. J. McLaughlin, in the Prudential Weekly Record.

A Thought For Monday

The first of the week, not the first of the year, is the time for good resolutions. Then if they are soon broken they can soon be renewed.

But don't break them.

No man needs to wait for the new year before resolving to abandon his bad habits and to replace them with good ones.

The man in business who does not come to the office or shop on Monday morning refreshed and invigorated, and ready to crack out the best week's work of his life, is a failure as far as that week is concerned. He is likely to be a failure for all time.

If you think that Tuesday or Wednesday or Thursday will bring you the strength and energy to get out and see the people whom you ought to see this very day, you are going to be disappointed.

The man who says to himself "I never can get started before Tuesday; Monday is always dull and blue and I never feel like myself," is the man who has some excuse to offer for his indolence and poor results all the rest of the week.—Thos. A. Buckner, vice president N. Y. Life.

FIRE INSURANCE

No Special Advantage Now

With graded commissions everywhere in this field now, as in the Middle West, not only have the non-board companies no considerable advantage over the board companies, but any commission-rule-breaking board office is deprived of any former advantage as an excess commission payer for preferred business. It would hardly pay any pledge-breaker to give 30 percent for preferred risks. His only possible advantage over his honest competitors hereafter seems to be not worth the friction and the risk. As rates are down and declining, any advantage in this respect to the outsiders seems a "negligible quantity." The time is ripening for a general return to board membership.

Let Us Suppose Standard Oil Should Organize a Fire Insurance Company

Fire insurance expenses are slowly but surely increasing, year after year. Commissions have risen from 16 to 21 percent, on the average; and expenses as a whole have advanced from 33 to about 40 percent. The percentage of expenses to earned premiums is still more. Increased taxes have added to the cost of doing business. Graded commissions have added about 3 percent. Free lancers, as a rule, transact business at 5 percent higher expense ratio than the general average. Graded commissions, with as high as 25 percent, were necessitated by the competition of companies paying high commissions for preferred business.

Of course, there should be no preferred business. But that is easily said.

If the present 40 percent expense ratio should suggest to such consolidators and expense-reducers as Standard Oil magnates that fire insurance offers a great field for their capital and economical methods of management, what might be the effects on fire underwriting? Imagine a company with \$25,000,000 capital and \$25,000,000 net

surplus, with nation-wide and powerful business connections, and resolved to write insurance at a 20 percent expense ratio and without expectation of any underwriting profit. Such a company, determined to immediately acquire \$50,000,000 premium income, is at least possible. In America, gigantic things are undertaken and succeed.

Here may be the advertisement of the future:

FIRE INSURANCE AT ACTUAL COST

The Universal Fire Loss Indemnity Co.

Will Insure You

Against Loss by Fire

At Actual Cost and Return to You as

Dividends any and all Underwriting Profit

—Stockholders are Limited to Five

Per Cent Dividends Yearly and

One-Fourth of the Excess

Earnings, if Any—

The Remainder is Added to the Surplus to

Meet Conflagration and Other Un-

usual Fire Losses—Stockholders'

Stipulated Liability is

\$25,000,000 Capital

and

\$25,000,000 of Surplus—No Agents or Brok-

ers are Employed—Every Repre-

sentative is a Salaried Em-

ployee—Every Renewal

Earns a Discount—

Incendiary and Fraudulent Claimants are

Never Again Insured—Improvement

of Risks Required

Could the established companies meet such competition? Not if underwriting were continued as now, with preferred business and graded and excess commissions, and duplication of adjustment and special agency work, and other expenses which consolidations or operations on a large scale can reduce.

But, after all, the Universal Fire Indemnity Co. might fail, by the burning of some tempting great American city.

CHIPS

—Only fireproof films are to be allowed in Paris, shortly.

—Fire Chief Murphy has invented and will patent a device for detecting and extinguishing fires in the holds of ships.

—The Scottish Union & National has finally taken over the City of Glasgow Life. Price £7 10s per share for the 24,000 shares, to be paid in December.

—Personal.—Vice President Faymonville, after attending the meeting of the Rocky Mountain Association at Denver, went on to Chicago. He has just returned.

—Personal.—J. E. Curtis, superintendent of the improved risks department of the United States branch of the Phoenix Assurance Co. (New York), visited San Francisco recently to assist in the instalment of a similar department on this Coast. He has returned home.

—Col. D. E. Miles, the man who always smiles, came to us of San Francisco from Los Angeles long before it became "the second city west of New York;" and as he never made an enemy nor lost a friend the statement that he will now retire from the firm and enjoy the wealth he made in real estate investments is received with an expression of regret. On the other hand, we hear that the Colonel is visiting relatives in New York but is not so cold-blooded as to refuse to receive the genuine attentions of any good company wishing to open up a department in San Francisco.

—United States Manager Kelsey of the Hamburg-Bremen came to San Francisco to study the situation, as the saying is. He made his headquarters with Manager Olds, and visited the various offices; and as it was understood that he would welcome applications for the general agency, his mail was large. It is said that, besides, he offered the agency to one man who, after thinking the matter over, concluded to remain in his present position. The Street was right glad to hear of the appointment of Macdonald & Miles, an old firm composed of well-known men, whose retirement from business would be generally regretted.

—Los Angeles.—Many dwelling fires are reported. As in the case of mercantile stocks and other risks, losses are generally totals. The fire department has not kept pace with the growth of the city and needs improving in various ways.

—Accident.—A West Virginia woman accidentally killed herself while asleep. Seated at a table with a pencil in hand, point up, she fell asleep and dropping her head fell forward over the pencil-point with such force that it pierced her throat.

—Fire.—It appears from a protest filed with us, that we erred somewhat in the statement that the California state board of locals had wholly declined to assist in the fight against the very obnoxious Keohler bill for state rating. The committee directing this fight were assisted by the officials of the state board and by locals in the north.

—Fire.—The Fireman's Fund has done exceedingly well with its Hawkeye Fire reinsurance deal, having held all the business for the Hawkeye Underwriters and added to it and also added to its own direct business in Iowa. The only fly in the ointment is the fact that the tornado losses blew out all the fire underwriting profits in Iowa for all the fire companies.

—Brokers' Get-together Meeting.—The Brokers' Exchange of San Francisco will hold its annual goodfellowship meeting in the Merchants' Exchange on Wednesday, December 10. Brokers, managers and general agents will attend, more especially about lunch-time. These meetings smooth asperities and promote goodwill and mutual concessions in the work of protecting the people from financial loss by fire.

—Personal.—Manager Irving of the Phoenix Assurance and the Union Marine has returned from a visit to Los Angeles, where he has opened a branch office. Mr. Irving saw the fire department respond to a fire alarm in the business district, and was unfavorably impressed by the leisurely manners of the firemen. They did not attach hose to hydrants at once, to be ready for the emergency of a large blaze, but calmly, seated, awaited the arrival of their superiors. Some of the firemen wore no uniforms.

—Personal.—General Agent Hewitt of the Hartford Fire has returned from his visit to the home office.

—Personal.—Manager Watt has returned from the annual conference of the North American managers of the Royal and the Queen.

—Personal.—Manager Gunn of the Liverpool & London & Globe has returned from the East, where he attended the annual meeting of the company's managers.

—The Board will give the Hamburg-Bremen, the Concordia and the German of Pittsburg the necessary time to adjust their Coast affairs and get their agents in line.

—Coast Fire Loss Ratio.—November, though rainy, has kept the fire-bell ringing. Department and agency loss ratios range from 40 or less to 60 or more. One-fourth of the Coast premiums average a loss ratio of 47 percent.

—Marine.—The Coast outlook for the year is not a happy one. Losses have been numerous and total up large. Besides, the Workman loss comes into this year's figures, and therefore we can say there will be little or no underwriting profit after the losses and expenses are taken out of this year's premiums.

—*Best's Fire Insurance Reports, 1913*.—The fourteenth annual edition, 1913-14, of Best's fire, marine and miscellaneous Reports give investment particulars, lists of bonds and stocks owned, and underwriting results, besides a general review of every company writing fire, marine, live stock, sprinkler leakage, surety, casualty, etc., business in the United States. It takes 558 quarto pages to make this comprehensive and satisfying exhibit, of the 106 intersurers and lloyds, only ten give the names of their underwriters. The publisher of the reports calls attention to these facts about the lloyds insurers: each underwriter is limited as to his liability and cannot be made to pay a share of the losses of insolvent underwriters; in some cases the aggregate for which he is liable is also limited, thus making the parade of the names of wealthy subscribers or underwriters very misleading.

—The Occidental Life Insurance Co. of Los Angeles is licensed in Arizona, California, Nevada, Oregon and Washington. The company is now more than seven years old. It has \$250,000 paid-up capital.

—The fire companies recognized the claim for loss on a Tillman painting left at Gump's for re-framing. The painting had been on exhibition at Pasadena, and was specifically covered only while in the residence of the owner. Gump's policies, however, covered goods in trust.

—Denver.—Business depression here is unusually severe. The number of vacant buildings has increased. The big mining strike is partly responsible, but the decline in business, the receding realty values, and the scarcity of money, have other causes, national as well as state.

—*Field Men's Notes*.—At Los Angeles, Logan B. Chandler succeeds D. B. Edwards for the Liverpool & London & Globe; San Francisco, H. K. Nourse has been added to the Springfield staff; at Tacoma, L. S. Frudenberg, and Oakland, C. W. Greene, go with the Northwestern National; and at Spokane, Wm. J. Morin, and at Los Angeles, B. J. Kellner, go with the Phoenix of London.

—"The Knave" in the Oakland Tribune says of James Hazen Hyde: Pacific Union Club members rank him and the late Prince Francis Hatzfeldt as two of the most picturesque visitors they had in the years before the fire. On his two visits to San Francisco Hyde sustained his general Eastern reputation as being a prince of entertainers and a most lavish dresser. At a dinner to fourteen here, he was credited with spending \$10,000. At the Palace he soon had the reputation of always wearing socks, necktie and boutonniere to match and wearing them only once. But Hyde was no brainless dandy. Until a year or so ago, when he branched out as a lecturer in French, Hyde had been chiefly known for his \$30,000 supper to Bernhardt. Here, many compare him to "Petronius" in "Quo Vadis."

LLOYD'S OF LONDON

—

**Safeguards For the Public—Trust Deed
No Protection**

From the Policyholder of Manchester, Eng.

In our last issue we pointed out that, without a single exception, Lloyd's Underwriters avoid the publication of any statement showing the extent of their assets and liabilities by agreeing—

(1) To furnish security which shall be available to meet claims.

(2) To place all premiums in a trust fund in accordance with the provisions of a trust deed.

We showed that the security consists to the extent of about ninety percent of mutual guarantees, but that "nothing in the agreement shall be deemed to confer on any person or policyholder whatsoever any right, title, or equity of claim to participate in the moneys to be paid by the guarantors," and so the mutual guarantees afford little security to the public.

As the security furnished under the first heading is so unsatisfactory, we now turn to the conditions of the deed under which all premiums are placed, without any apportionment, in a trust fund. In America, where the British insurance offices do such a large business, the insurance companies are compelled to deposit with the authorities the proportion of the premiums necessary to meet the unexpired liability, and, further, to maintain a proper reserve for unpaid claims, etc. If these trust funds are depleted by any sudden call upon the company's resources, the authorities require that the impairment shall at once be made up, or, as an alternative, that the company cease trading in the States.

After the San Francisco disaster, for example, the offices not only had to pay claims but they had to furnish additional security as well. Investments had to be sold in this country, and some shareholders had to face a call upon their shares to meet these demands. Thus it will be seen that the trust fund is a real safeguard for the American policyholders.

When we saw that under Schedule 8 of the Assurance Company's Act Lloyd's Un-

derwriters, wishing to avoid the publicity of an annual return to the board of trade, must pay all "premiums without apportionment into a trust fund," we assumed that the fund would be under the control of responsible trustees and subject to conditions similar to those adopted in America.

An examination of the trust deed shows, however, that after the premiums and other monies have been paid into the fund they are to be used "for the payment of any losses, claims, returns of premiums, re-insurance premiums, and or for the payment of any expenses whatsoever, including any salary, commission, or other remuneration in connection with the conduct or winding up of the business; and or in the payment of profits of the business." This means that these so-called trust funds may be used in precisely the same way that any insurance office uses its premium revenue. The money is not set aside, as in America, for the settlement of claims, there is no stipulation as to its maintenance or replenishment, but it is used for the payment of any expenses whatsoever. There is no more security than there would be if instead of trust fund the words banking account had been used.

This important point being established, we now come to the question of the control of the money, and who is to see that it is used properly. It is generally known that the members of Lloyd's usually operate in groups, and many members of groups take no active part in the business, some have no office or connection with the city at all, but merely take profits when they can, or pay claims when they arise, if they are able to do so. It will be noticed that the wording of the trust deed confirms this, for it carefully points out that, whilst all parties thereto are Underwriting Members of Lloyd's, they *underwrite there in association, but not in partnership, with each other,* which means that each underwriter is responsible for the sum placed against his own name and nothing more. It does not matter to him whether the other members of the group are millionaires or men of straw.

The underwriting for the group of members is "conducted and managed by one of

the number called 'the Agent.' and this agent has considerable power under the deed. Each underwriter agrees that the premiums and monies received shall be held on trust by not less than two trustees, one of whom shall be the agent. These trustees may themselves use the money for any of the specified purposes, or may, at their absolute discretion, pay the same to the agent for the purpose of being so applied, without any liability on the part of the trustee (other than the agent) to see to any such application, or for any misapplication thereof. It is specially set out that the trustees may accept as sufficient the statement of the agent as to what sums are from time to time required to be paid out of the trust fund without requiring the accuracy of such statements to be verified, and they incur no liability for any inaccuracy so long as they act on the information of the agent.

Apparently trustees may invest any part of the fund from time to time, but the investment must stand in the names of not less than two, one of whom shall be the agent. There are no conditions as to the class of investments to be selected, provided the agent agrees with the underwriter, but at the request of the agent the investment must be realized. All interest and dividends must be paid to the agent to be applied by him as may be arranged between him and the underwriter. But the trustees shall not be required to see to the application thereof. To the policyholder, however, the eighth clause of the agreement is the most important. It reads as follows:

"Nothing herein or in the trusts herein declared shall confer on any policyholder or other person whatsoever having or alleging any claim or demand against any of the names (i. e. underwriters), whether in respect of the matters mentioned in Clause I hereof or otherwise, any right, title or equity whatsoever to participate in the trust fund, or to have any payment made to him thereout or any account rendered to him thereof, or to enquire into or call in question the administration of the trusts."

Under the trust deed and the guarantee therefor policyholders have no standing or right of action, and again it comes to this, that the Committee of Lloyd's may say they hold £3,000,000 of securities, but it is useless

to the policyholder if the particular underwriter against whom he has a claim is a bankrupt or is unable to pay.

Insurance is not a business which should be carried on by an individual. If Lloyd's Underwriters formed themselves into a company in which the whole of the assets were available as security for every policyholder, the company doubtless would be an excellent one, but as matters stand today the position is very unsatisfactory, and people taking a Lloyd's policy are "buying a pig in a poke," for they have no means of ascertaining the financial position of the men to whom they are giving credit.

There is this outstanding and to our mind significant fact, however—Lloyd's Underwriters avoid every class of business where publicity is obligatory, and they never avail themselves of the straightforward and honest method set out in the Act of Parliament of depositing the comparatively small sum of £2,000 with the board of trade and of filing an annual statement.

The advantages and confidence which publicity begets are so great that we cannot believe the organized conspiracy of silence to which we have drawn attention is entered into for nothing.

Will There Be a Limitation of Fire Insurance Expenses Too?

The limitation of the cost of "acquisitional" expenses in liability insurance by the ruling of a state insurance official, and the acceptance thereof by the companies without a protest, suggests the inquiry, Can this lead to a similar limitation, by ruling or statute, of the acquisitional expenses of fire insurance?

Where a company who had notice, by its agent, of the breach of a condition against incumbrances retained the premium paid after a loss, it is estopped to rely upon a breach of such condition. — *Manning v. Connecticut Fire Ins. Co.*, 159 S. W. 750.

Notice to an agent of a company, who was authorized to issue and countersign policies and accept premiums, of a breach in the condition of a policy is notice to the company.—*Id.*

Some Truth in Johnson's Acrimonious Arraignment, for Men With Known Bad Records are Insured

Fire Commissioner Johnson of New York recently was the author of some very sensational charges against fire insurance companies. At the meeting of the fire chiefs of the country, last month he repeated these charges of responsibility for much of the fire waste of the country.

There is no merit in what he says, if his evidence be alone considered.

But underwriters know, and we know and can prove, that the careless or intentional writing of risks owned by men with known bad fire record, and the ignorant or knowing writing of overinsurance of property of men of bad character, or even any insurance on their unsalable property (which is overinsurance), is an offence against public policy of which too many careless or premium-greedy local agents and underwriters are guilty. The former want the commission, the latter are too ambitious for volume of business. Or there may be "interlocking" influences, with wholesalers or manufacturers or a menacing local agent who insist on the protection being granted on a risk with a bad moral or physical hazard.

Whatever may be the reason for the facts, the facts which increase the great ash-heap do exist.

We have no remedy to offer for these ills of the business, but we do believe that underwriters should be more careful in the writing of insurance on needlessly bad risks and also in the writing of insurance on the property of any man who has a doubtful fire or who has pressed exorbitant loss claims. Such men should be denied insurance or limited to such sum as would leave them a loser by a total loss.

Fire insurance is now regarded as a public service, and if the underwriters are to have their rights respected they must respect the rights of the public which are expressed in the phrase "in accordance with" or "not contrary to public policy."

The great \$300,000,000 annual fire loss in this country and the high 40 percent ex-

pense ratio of fire insurance may be bringing the business perilously near to the assumption by the state. It is the unexpected that happens—and it happens very suddenly.

Replace or Repair

The policy contracts provide that the company has the right to replace or repair with similar kind and quality. The California standard form limits this right to "repairing, rebuilding or replacement of any building or structure or machine or machinery used therein."

The company is not compelled to "replace or repair" and is only responsible for the actual cash loss to the property under the policy at the time of the fire; it is not in order for an agent to agree with the insured to repair any damages, but it is in order to agree with the insured in accordance with the terms of the policy contract on the amount of the loss under the policy.

The accommodating agent, who, to assist the insured, takes it upon himself to have the repairs made, may find that the loss is payable to a mortgagee, who will not sign receipts for money that he did not receive, and that in event of a subsequent total loss, Mr. Mortgagee would not and need not admit any reduction from the face of the policy on the amount payable to him.

Another very good reason for not replacing or repairing is that the insured might not be satisfied with our repairs.

We have in mind a case where companies replaced a \$20,000 insured building at a cost of \$17,500, which the insured refused to accept, brought suit for and recovered the total insurance and also a large sum in damages for spoiling his lot, finally costing the companies nearly three times the actual loss.

Replacement in "coin" and not in "kind" is "indemnity" and follows the contract.—Fireman's Fund Record.

Los Angeles has begun (according to a press dispatch) a campaign to annex seven-teen districts and their towns with 99,990 population.

ACCIDENT, CASUALTY and SURETY

Limbs More Precious Than Life, According To Juries' Verdicts

Widow Gets \$7,000 — Man Losing Leg, \$11,000 — For Lost Arm, \$20,000

From New York World

For an arm	\$20,000
For a leg	11,000
For a life	7,000

The law worked out that way before different supreme court justices recently in the fixing of damages for a boy's leg, a railroad brakeman's arm, and a fireman's life.

Mrs. Margaret A. Hagan, widow of Capt. James A. Hagan of the New York fire department, sued A. Schroeder, Inc., of 58 Water street, Brooklyn, for \$75,000 because of the death of her husband. When working at a fire in the company's plant on Nov. 3, 1911, he fell through an unprotected skylight and was killed. While the jury was out the widow agreed to accept \$7,000.

Young Morris Meyerowitz got a \$10,000 verdict against Vincent Amorosi, an expressman, of 204 Forty-seventh st., and the boy's father got \$1,000 damages for the loss of the lad's services. It was charged that because of Amorosi's negligence in running a motor truck at Park avenue and 97th street in Jan., 1912, the boy's leg was injured and had to be amputated.

The largest verdict, that of \$20,000, was obtained in Ballston, N. Y., by Henry Godfrey, who lost an arm in the discharge of his duty as a brakeman on the Boston & Maine R. R. when he sued that corporation.

Acquisition Expense Limitation to be Considered at a Chicago Meeting

Following letters of June 20th, August 25th and September 12th, regarding acquisition cost of liability and miscellaneous insurance, and with the further desire to bring about as speedily as possible an adjustment of administration and supervision expense by the companies, the New York state insurance department has requested Commissioner Epstein of Colorado and Commissioner Done of Utah to join in

an invitation to agents for the purpose of discussing the various points and determining a fair maximum total expense ratio for the companies. It is hoped that a scientific conclusion will be reached by securing the experience of all interested parties and by carefully weighing the views of the executive officers as representing the companies, a committee of the National Association of Casualty and Surety Agents as representing the agents, and the commissioners of the states as representing the public. Agents are cordially invited to attend a meeting at the Hotel LaSalle, Chicago, on Monday, December 1st, at 10 a. m., and to participate in the deliberations on the proposed ruling by the states of New York, Utah and Colorado.

Liability Limitation of Acquisition Cost Defended

Insurance Superintendent Emmett of New York, at a recent dinner, defended his limitation of liability acquisition expenses. He makes this limitation by a ruling, as heretofore explained. His defense is that it is necessary to preserve the solvency of the companies, though just why an increase of rates would not be equally preservative is not explained. The superintendent also expressed his belief that the house-cleaning of this branch of the business will include a reduction of its total cost, either voluntarily by the companies or by statutory requirements.

Declines to Pay Interest.—The Aetna Life is being sued by Curtis & Gartside of Oklahoma City for \$1,025 in connection with a judgment obtained by James Pribyl, a former employe of Curtis & Gartside, for injuries sustained. The firm carried an employer's liability policy with the company, which fought the Pribyl claim in the courts, in the name of Curtis & Gartside. The case was finally settled in favor of Pribyl. The Aetna Life reimbursed Curtis & Gartside for the \$5,000 principal of the judgment but refuses to pay the \$1,025 interest.

SEVERAL and SUNDRY

EQUITABLE LIFE ON GRILL AGAIN

New York Insurance Department Charges
Directors are Lax in Their Management

From San Francisco Examiner

New York, Oct. 30.—Charges that the board of directors of the Equitable Life Assurance Society does not direct the affairs of that \$486,000,000 institution are made by the state insurance department.

It also asserts that the record of the board of directors gives only meager accounts, and that a committee of paid officials of the society has to a large extent usurped the functions of the board.

The board also comes in for criticism for the latitude that is allowed the comptroller in connection with the employment and discharge of an army of employees who are getting less than \$5,000 a year.

Under the present system of this society, responsibility for its actions or the proper administration cannot be brought home to the board of directors as it should be.

It is also noted that the Equitable has advanced loans on real estate that are the reverse of conservative and that Frank Jordan, son of the former comptroller, Thomas D. Jordan, still has a monopoly of placing fire insurance on properties on which the Equitable makes mortgage loans.

REMARKS

The above is taken, as per credit, from a San Francisco daily. We procured New York dailies of the same and near dates and found no reference to the matter. The insurance journals, east and west, have made no mention of this forthcoming criticism.

Fire.—The uncertainties and extraordinary hazards which attach to all games of chance enter into the transaction of this (fire insurance) business to a very remarkable degree. It is this element in fire insurance which seems to require that it

shall remain in competent private hands for I am assuming that all of us will agree that the state is no fit agency for the transaction of business into which the element of chance and guess-work enters to any abnormal extent. — Ins. Supt. Emmet of New York.

Many Years Ago

Geo. C. Morant in "Odds and Ends of Foreign Travel" says:

"Sleeping cars were unknown, and I have traveled in the winter in the north of Europe at night, four on a side, and all the passengers in fur coats, most of them smoking at intervals, and all the windows closed, except when the guard made his periodical trip along the ice-clad footboard, with his lamp hung on to his overcoat, and dropping one window down to examine the tickets, let the blinding snow or the biting frost in, and thus broke the fetid monotony. Nor did restaurant cars exist, and it was a question of pulling up for meals at certain stations, making a rush for the refreshment room, swallowing hurriedly what you could get and rushing back to your carriage to make sure that your seat had not been occupied or your belongings removed by someone else in the interval."

Connecticut Fire.—The transfer of more than 90 percent of stock of the Connecticut Fire to the Phoenix of Hartford practically completes the amalgamation of the Connecticut with the Phoenix. The assets of the amalgamated companies are virtually 20 million dollars.

The Press

Enter the Insurance Herald-Argus.

Chas. A. Jenney has retired from the active control of the excellent Weekly Underwriter.

A local contemporary will go to Los Angeles and spend his riches in the upkeep of a limousine.

Looks bad for the insurance business! Not an insurance journal started for some time.

Reciprocal Grocers Ex. Does Not Pay Big Loss

The firm of C. C. Martin & Co. of Parkersburg, W. Va., are now sorry they took out "insurance" in the Wholesale Grocers Reciprocal Exchange, which has headquarters in St. Louis, Mo. The loss occurred some nine months ago but the grocer's exchange still refuses to pay its proportion of the loss.

Stock companies had \$53,000 on the risk. They promptly adjusted and paid the loss. The exchange had \$38,000 on the risk and has never made any attempt at adjustment. The real reason is probably because the exchange is busted but the alleged reason is that the flood caused the floors to fall and thus started the fire. Our valuable contemporary, the Insurance World, says it is advised that no part of the building fell before the fire, and that other allegations by the exchange are untrue. The fact that the stock companies, after investigation, paid their losses promptly and in full is good evidence that the claim is a just one.

Two Ohio Mutuals Fail

The Buckeye and the Central Fire, both of sinful Cincinnati, O., have failed.

The New York insurance department has ordered agents to return to policyholders the premiums collected for defunct Delaware mutuals.

About Dec. 1 the Commercial Union will have city department offices on the ground floor of the new Insurance Exchange building, San Francisco.

The Prussian National has retired from Kansas.

Pennsylvania local agents have withdrawn from the National body.

Some Phoenix of London Appointments

General Agent Irving, in a letter to the agents of the Phoenix, announces that the growth of the company's interests in the Pacific Northwest has reached a point where an addition to the field force is required, in order that proper service and facilities may be given agents and clients. He has therefore appointed William J. Morin special agent. Mr. Morin, who for a number of years was an employee of the Board at San Francisco and Salt Lake, will have headquarters in Spokane and will assist Mr. Gay in the large territory under his supervision.

A branch office has been opened in Los Angeles, in the new Washington building at Third and Spring streets. This will be southern headquarters for the companies of the general agency, for their fire, automobile and marine business in that field. Otho Hall and Victor McNail, special agents, will make their headquarters in this branch office. The business of the Phoenix in the southern territory is increasing, and B. J. Kellner has been added to the special agency staff.

The Phoenix is about to establish in San Francisco an improved risk department for handling sprinklered risks, leakage, use and occupancy, and lines of large values. The expert services of Wm. H. Ticknor as engineer and inspector have been engaged for this new department. Mr. Ticknor was for several years with the Factory Insurance Association in the East, and has recently been with the Fire Underwriters' Inspection Bureau in San Francisco, where he has had charge of the fire prevention of the Panama-Pacific Exposition.

The Pacific Coast Casualty has made some official changes. Carl G. Brown retires.

The United American Fire of Kentucky has retired. And so it goes.

The Columbian National Fire may enter Coast states. H. H. Rimington, formerly of the Jefferson, is its general agent in the East.

PRESIDENT DUTTON WILL RETIRE

Head of the Fireman's Fund Will Retire from the Presidency but Remain with the Company as a Director and Chairman of the Finance Committee

William J. Dutton has been with the Fireman's Fund Ins. Co. since 1867, when it established its marine department and appointed him marine clerk. The company had just moved from its Montgomery street office into the home office building which it has ever since occupied. His father was one of the incorporators of the company. In 1869 he was appointed marine secretary, and four years later, assistant secretary; in 1880, secretary; in 1890, vice president and manager. When President D. J. Staples retired in January, 1900, Mr. Dutton was elected president of the Fireman's Fund. In January, then, he will have served as president fourteen years; as an official of the company forty-five years, serving the company, altogether, forty-seven years.

Mr. Dutton was also vice president of the Home F. & M. Ins. Co. from 1892 to 1896, and president from 1896 until that company reinsured and closed business. He was president of the Board of Fire Underwriters for one year and for nine years its vice president. He served the San Francisco Board of Marine Underwriters as president, and as chairman of its adjustment committee for many years.

Mr. Dutton has been contemplating this retirement for the past two years, and has discussed it, confidentially, with friends, who have vainly urged him to withhold his resignation for another year, until the company's new building is completed. He prefers to begin at once the "vacation" which he has earned by a lifetime of strenuous and faithful service.

It is understood that President Dutton will continue with the Fireman's Fund as a member of the directorate and probably as chairman of the finance committee.

Mr. Dutton has always taken a prominent part in the financial world and in politics. He is and for many years has been one of the leaders in San Francisco political and business affairs.

Insure Your Registered Mail

Between San Jose, Cal., and San Francisco a masked highwayman entered the mail car of a fast express train, and for an hour looted the registered mail. The mail clerks meantime were lined along the car-side, each with a mail-sack over his head. The robber dropped off the train as it slowed up in the city.

Two Family Houses and an Insurance Clause

The following letter appears in the New York Sun:

For the benefit of your readers who live in two family houses allow me to call their attention to a new household goods insurance clause that is inserted in policies. The substance of the clause I refer to is:

"This policy will be null and void if more than two families live in the house."

If there are two families in the house and one takes a couple to board there will be three families, and that will make the policy void.

In conclusion let me state that this was my third renewal with the same company, each for three years, and the clause which nullified all such policies is new to the oldest insurance men.

G. M.

Mutual Fire. — Default in payment of assessment on the second of three successive fire policies in a mutual company, each providing that default in seasonable payment of an assessment shall render the policy void, does not render the third policy void, though the assessment was payable during its term.—143 N. W. 151.

The Home insures live stock in transit.

Obituary.—Insurance journalism has suffered a real loss by the death of Editor Benj. F. Hughes of the Insurance Register, a man of ability and character, who had been trained for useful life work as journalist, lawyer, legislator and federal officeholder.

"Lucinda, heah's youah paw." How about it, Col. or Major?

No Truth in the Rumors as to the American Central

Rumors altogether baseless have been recently floating about. Only one seems worth a contradiction. It was to the effect that the American Central was negotiating for a large reinsurance deal. Finally this ended in the rumor that the company had reinsured. This was the report yesterday. Managers Christensen & Goodwin at once wired to the company. This morning they received a denial telegram from the president of the company, as follows:

St. Louis, Mo., Nov. 21, 1913.

Christensen & Goodwin,

241 Sansome St., San Francisco.

Letter of fifteenth received this morning. Wire which you refer to on same day never received here. There is not the slightest foundation for the rumor. No such negotiations have been indulged neither are they contemplated. Please unqualifiedly deny the rumor.

(Signed) EDW. T. CAMPBELL.

The American Central has over 5½ millions of assets, a reinsurance reserve of 2¾ millions, and wrote last year about 3¼ millions in premiums. The company is prosperous and growing, is 60 years old, and has \$2,000,000 capital.

Dissolution

The firm of Cobb & Drennan has dissolved partnership.

Dixie Reinsurance

The Coast business of the Dixie Fire, a non-board company, has been reinsured by the Globe & Rutgers. The Dixie retires from this field.

Manager Henry has returned from the East.

Connecticut Fire to be Continued

President Milligan of the Phoenix and the Connecticut announces that the latter company will be continued as an individual corporation, with ample capital and surplus, under a separate management, as heretofore.

Law Union and the Union Assurance to be Under One Management in This Field

The credited rumors of this re-union have been officially confirmed. The general agency so long in the hands of Catton, Bell & Co. will be discontinued, and the Union of London will again unite in a branch office with the Law Union & Rock, under the management of Harry Homes Smith, on January 1, 1914. A. Dalton Harrison, who constitutes the only member of Catton, Bell & Co., will be retained by the Union as a local director. The personnel of the Union and Law Union staffs, office and field, will be retained under the new management.

General Agent Johnston has returned from the Northwest.

Col. Miles is in New York.

Two Years for Embezzlement

Charles E. Beidelman, formerly assistant ticket agent of the New York Central Railroad, at 350 Broadway, New York, was last week sentenced to two years in the state's prison. Beidelman was arrested on October 10th by Detective Albert Thomas, of the district attorney's office, at the instance of his bondsman, the American Surety Company of New York, because of a shortage of \$250 in his accounts. Beidelman is thirty-one years of age, has a wife and two children, and has been in the employ of the New York Central for about two years. The money which he embezzled was lost through drink and the New Orleans races.

TWELVE YEARS PACIFIC COAST FIRE BUSINESS

AN ACTUAL DEFICIT OF ABOUT \$106,000,000—AVERAGE PREMIUM RATE NOW LOWEST

Year	Amount Written	Premium Rate	Premiums Received	Losses Paid	Ratio Losses	California Premiums
1912—	\$ 1,910,331,363	\$1.50	\$ 30,371,298	\$ 12,120,615	40.0	\$16,151,639
1911—	1,861,771,707	1.60	31,361,119	11,483,076	36.6	16,048,108
1910—	1,745,872,577	1.70	30,276,018	12,845,432	42.1	15,874,207
1909—	1,599,809,267	1.80	28,816,773	11,127,480	38.6	15,104,194
1908—	1,377,740,255	1.90	27,486,000	10,368,701	37.7	14,506,144
1907—	1,337,358,881	2.10	28,407,313	10,230,049	36.0	16,571,293
1906—	1,131,986,343	2.10	23,840,748	153,983,271	645.9	13,248,323
1905—	1,156,701,200	1.70	20,738,170	8,724,351	42.1	10,283,242
1904—	1,161,871,416	1.70	20,195,418	7,831,527	38.8	10,163,440
1903—	954,622,620	1.80	17,536,695	9,166,954	52.2	8,292,803
1902—	906,124,776	1.70	15,766,631	6,135,183	38.9	7,360,222
1901—	903,310,160	1.60	14,995,504	5,292,357	35.3	7,669,882
Totals	\$16,047,500,565	1.80	\$289,791,687	\$259,308,996	89.7	\$151,273,497
Non-reporting co's retired in 1906,				20,000,000		
12 years' Grand Totals,			\$289,791,687	\$279,308,996	96.4	
Expenses and Taxes,				115,920,000		
Total outgo,				\$395,228,996		

The reader is asked to note the fact that California premiums are half those of the entire Pacific West; that the average rate of premium is lower than it was before the 1906 fire; that of the total premiums since 1900, 96 percent have been expended for losses, and losses and expenses and special taxes have been 136 percent of the premiums.

In short, the fire insurance companies on the Coast since 1900 have paid in losses and expenses on this Coast \$36,000,000 more than they have received in premiums.

On This Coast More Than 60 Years

The Liverpool & London & Globe established an office in San Francisco in 1852.

The Royal did likewise in 1853.

Henry Evans' Prediction

President Evans of the Continental predicts that in a few years the great bulk of the fire business will be on the books of about twenty-five or thirty companies, and the agents will be crying for facilities.

In 1869

The Commercial Union Assurance Co. of London established an agency in California in 1869. The policy forms issued then were those in force at the time of the San Francisco fire. After that little blaze the standard form was adopted. This company, the Commercial Union of New York and the Palatine of London now issue the California standard form in California, without any red-line qualification.

The George H. Tyson General Agency

For more than a quarter of a century this San Francisco general agency has been doing business. It has been successful from the beginning on California street in the old Safe Deposit building. The German American was the first company, and other companies entered later.

The agency has steadily grown in the annual premium income, and with the exception of the conflagration years has had a uniformly low loss ratio. For the past two years the premium receipts have been on the border of a million and a half, with the German American leading and the Phoenix a near second.

This Pacific department represents the German American of New York, the Phoenix of Hartford, the German Alliance of New York and the Equitable F. & M. of Providence, R. I. The assets represented amount to \$35,000,000. The merging of the Connecticut with the Phoenix brings the total up to perhaps \$45,000,000.

In round numbers the several companies will report assets about as follows:

German American . . .	\$21,500,000
Phoenix	19,500,000
German Alliance	2,000,000
Equitable	1,500,000

The German Alliance operates as the German Alliance Ins. Assn.; the Equitable as the Equitable Alliance Ins. Assn.; and the Phoenix has also the Protector Underwriters. The German Alliance and the German American write a joint policy, as do also the Phoenix and the Equitable.

The Alliance entered California in 1892. The Palatine of London, which reinsured the Palatine of Manchester, entered California when organized, in 1900.

Pacific Coast Casualty Changes

The vice president and the secretary of the Pacific Coast Casualty Co. of San Francisco have resigned, to engage in other business. Kirkham Wright, a well-known San Francisco merchant, has been elected vice president. For the present the office of secretary will remain vacant. F. B. Lloyd has been employed to do some special work in the office.

Hamburg-Bremen Will Return to California and Re-enter Board

United States Manager H. N. Kelsey visited San Francisco last week, and after considering several applications appointed Macdonald & Miles general agents for the Coast. He also made application for the admission of the company to the Board of Fire Underwriters. The Hamburg-Bremen steps into the office of its Coast agents just as the Westchester steps out. This will give the German company a good agency connection at once.

Fire.—Not all the Smith Lumber Co. losses at Bay Point, Cal., have been paid. Possibly some of the companies were too hasty. The insured have been peculiarly reticent, and from the date of the fire have declined to give to anybody a list of the companies, mutuals, lloyds and interinsurers on the risk. The origin of the fire has never been published. Some of the companies are still investigating.

Life.—The Equitable Life favors us with a sample lesson of its correspondence course. It is a good sample of excellence, but as it is only a defense of group insurance we cannot use it.

The Bankers Life of Des Moines is being examined by the insurance departments of Iowa, Minnesota and Wisconsin, and simultaneously, at the company's own request, an examination is being made by Actuary Wolf of New York.

CHIPS

—The long drouth in California has been broken by several good rains, coming in time to save the forests and the water supplies.

—Marine.—The recent tornado-like storms on the Great Lakes cost the marine underwriters a very substantial total for vessels and cargoes lost. Press reports indicate the loss of some twenty hulls sunk, turned turtle or driven ashore. Lives lost are believed to have exceeded 200.

—Fire insurance has always been, and must always be, a game of chance pure and simple — a game of chance in which men who are qualified by temperament and experience to play it, and who are willing to risk their money in it, can survive, but in which none but experts can with any safety engage.—Wm. T. Emmet.

—San Francisco had a city election the other day. Fewer than half the registered voters went to the polls — and wet their feet. The results did not endorse the Rolph administration, though the mayor made a personal appeal for the re-election of his nine candidates for supervisors. All his grand stand plays for an immediate reduction of insurance rates appear not to have made his administration any votes. The laborunionites, who always vote, elected the two city officials and five of the nine supervisors. We fear the election results will not help the sale of the city's bonds.

—Rate-Making.—In New York we have concluded, on the whole, that the tendency toward co-operative effort between the companies in the matter of rate-making is, besides being inevitable, a tendency wholly in the right direction. The evils of the old unrestrained competition were many, and the wastefulness of it was great. The effect of it on the solvency of the companies could not help being in many cases, disastrous. Rate wars led to company failures, and company failures led to unsafe insurance. Under the old conditions this was inevitable, and I, for one, hope never to see those so-called "good old days" return.—Supt. W. T. Emmet.

—The Concordia and the German (of Pittsburg) have joined the Board of Fire Underwriters (as previously announced by us) and appointed Bertheau, Selbach & Bertheau general agents and retaining Frank W. Dickson as assistant general agent.

—Thirty years ago several female school-teachers were experimenting with grape-drying in Fresno county, Cal. They succeeded in making, by sun-drying, a perfect raisin. Today that industry in that county has grown to annual raisin product of more than sixty thousand tons a year, requiring nearly 3,500 cars for transportation to market.

—Some three months ago this journal advised "tell your Uncle Sam" that the overflow of American population will in a few years make Mexico and Central America Anglo-Saxon and no more Latin than California. Now Sir Hiram Maxim is quoted by the press as advancing exactly the same opinion. Still, our editor does not flatter himself that Maxim reads any of the copies of the Coast Review which go to England.

—Life.—The Travelers has a new disability clause. The amount of each of the twenty (yearly) instalment payments to the permanently disabled policyholder is six and eight-tenths percent of the insurance. If insured dies meantime the payments are continued to the beneficiary, who may consummate the remaining payments on the basis of three and a half percent annual interest. The insured has no such right. The cost of these benefits is 25 cents per \$1,000.

—Our Legal Digest continues to be "shy," for the courts have not resumed their "grinding" of insurance "grist." But the judicial vacation is over, and "misunderstandings" and temper and "contingent fee" attorneys will produce more insurance litigation. However, we give the LIFE men an interesting resume of the successful suit against the estate of the late president of the Western States, which will add a tidy and needed sum to the surplus; and we give the MARINE men the particulars of a recent case; and for the FIRE men we compile some brevities and go back and gather the abstracts of a brokerage decision.

American Surety Takes Over Business Of A Pennsylvania Company

The Title Guaranty & Surety Co. has reinsured its business in the American Surety Co. and will hereafter confine itself to title insurance. The net premiums are about \$1,000,000 and the unearned premiums about half this sum.

The National Surety, as a policyholder, protests against the deal which reinsures the Title G. and Surety in the American Surety.

State Compensation Found No Protection

The employer was a contributor to the Ohio state fund, but the employee ignored that fund and the state and brought suit against his "boss" for a large sum, for injuries because of willful negligence. A jury in a federal district court awarded the workman \$14,000 damages. The court ruled that any "reckless disregard for another's safety" was the true intent of the term willful act. Evidence in this case proved that the plaintiff and his fellows had

warned the foreman of the unsafe condition of the derrick. The foreman ordered the men to continue its use without the repairs.

Free Admission Prize For A Crest

The executive committee of the World's Insurance Congress wants a design for an official crest for its stationery. Any man, woman, girl or boy, whose chief occupation is insurance, may compete. The designs submitted must be in ink on heavy white cardboard 5 x 8 inches, with name and address on back.

The author of the accepted design will be given free admission to the Panama-Pacific Exposition and all its concessions. Each design should be drawn for reproduction on both a large and a small scale.

Now, youngsters, get busy with your crest.

It is rumored that the Travelers will engage in miscellaneous insurance.

At Seattle Fisker & Bro. succeed Crawford & Conover.

Pacific Mutual For Pacific Coast Agents

*The Best Opportunities for High Class Field Men
in a Company with a Clean Past and a Great Future*

CALIFORNIA AGENCIES:

LIFE DEPARTMENT

JOHN NEWTON RUSSELL, Jr., Manager
517 West Sixth St., Los Angeles

KILGARIF & BEAVER, Inc., Managers
5th floor, Shreve Bldg., San Francisco

WHITTINGTON & COLLINS, Gen'l Agents
1010 Van Nuys Bldg., Los Angeles

ACCIDENT DEPARTMENT

THE McCUISTION CO., Gen'l Agents
414 Story Bldg.,
Los Angeles

F. A. STEARNS, Manager
5th floor, Shreve Bldg.,
San Francisco



Organize! 68

GENERAL

The Insurance Magazine prints the photos of five highwaymen and pretends they are the portraits of four life men who won cups.

The State Assurance has deposited \$200,000 with New York authorities.

Creosote was burned in a Minneapolis street: whereupon, merchants on that street applied to their insurers for smoke damages.

Though, thou, through, rough, bough, county, country, four, journey, rout, route, your, enough, genuch, himmel! In private, at least, let us write English commonsensibly as our great grandfathers did—as we please, pleasantly indifferent to any word-book.

The American Life & Accident of Portland, Ore., has been licensed to write health and accident business. S. A. Madge, formerly of the Washington insurance department, is secretary.

Since January 1, 1913, thirty-three American fire companies have retired, and others have curtailed their operations.

At Chicago the picturesque J. J. McDonald of the Connecticut retires because of ill health. The Western department has been transferred to the home office, together with the office employees.

With the coming of November the long drought in California ended. Weather sharps unite in predicting a wet winter. The tree squirrels are so sure of it that they have stored an unusually large supply of nuts and raisins and peach brandy. The planets in their courses are exerting their pull with the weather clerk to insure as much rain this season as in the past two.

Marine.—Lloyds have advanced rates on American shipping passing over the Tehuantepec Nat. Ry. line in Mxico.

Prune And Walnut Crops Short

The prune crop of 1913 was very light and that of 1912 was not much heavier. The visible supply of this wholesome fruit is therefore small. The price is soaring and dealers who have sold to deliver in the future are sore distressed. The walnut crop is also short.

Fire and Automobile Insurance

American of Newark

Chartered in 1846

Capital Stock	-	\$1,000,000.00
Liabilities	. . .	5,431,072.05
Special Reserve Fund	-	300,000.00
Net Surplus	-	3,135,102.52
Total Assets	-	\$9,866,174.57

P. L. HOADLEY, Pres't. C. W. BAILEY, Sec'y.

Pacific Department, San Francisco, California

GEORGE O. HOADLEY, Manager

THOS. H. WILLIAMS, Asst. Mgr.

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1913) . . . \$9,994,450.00

NET SURPLUS, " . . . 3,961,146.00

E. F. BEDDALL
President

N: S. BARTOW
Secretary

GEO. W. BURCHELL
Vice-President

Gross Assets ^{JAN. 1} 1913 \$104,642,884

Exclusively Fire Assets 46,944,394


Net Surplus - - 17,684,610

Losses Paid - - 247,700,319

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager,
LIVERPOOL, ENGLAND

DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta
San Francisco, Montreal.  Agencies in all principal Cities and Towns



ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING. SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

Licensed by the State of California Insurance Department.

Property Underwriters Association

Of San Francisco, Cal.

AUTOMOBILE INSURANCE
Complete Coverage

FIRE INSURANCE
MOTOR CYCLE INSURANCE

C. J. STOVEL, Manager and Attorney

Stovel Bldg., San Francisco
Telephone Kearny 2568

Branch Office: No. 207 I. W. VAN NUYS BLDG., LOS ANGELES

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912 \$280,438,555.87

Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.

President, **JOHN M. TAYLOR**, Hartford, Ct.

FIRE

Edward F. Beddall, United States manager for the Royal of Liverpool, was presented on Wednesday with a handsomely engrossed testimonial and a pearl scarf pin in recognition of his completion on July 1, 1913, of fifty years' continuous service with the Royal. The presentation was made at the Garden City meeting of United States and Canadian managers of the Royal and its affiliated companies.—The Surveyor.

Will Alverson be able to hold the Associated Underwriters together? They are bronchos, and rates are down and losses are up. Why was Magee thrown into the discard?

Boston.—The Ætna is closing its branch office in Boston and substituted an agency.

Watson & Taylor will move to new offices.

GENERAL

Williamsville (N. D.) Item: We wish to apologize to Mrs. Oriando Overbrook. In our paper last week we had as a heading, "Mrs. Overbrook's Big Feet." The word we had ought to have used is a French word pronounced the same way, but spelled fete. It means a celebration and is considered a very tony word.

Recently two men were killed in Alabama at an initiation of the order of Moose.

Robert Stirling, General Manager

Alexander Mackay, for many years the general manager of the Law Union & Rock Ins. Co. of London, has resigned. Mr. Mackay expected to resign some years ago, but the San Francisco conflagration produced such conditions in the underwriting world that he was persuaded to postpone his resignation. Robert Stirling, the assistant general manager, succeeds him. General Manager Stirling has been with the company for some years, and while he has given his time and talents largely to the life insurance department, his executive abilities and general knowledge of underwriting make him the fit as well as the logical successor to General Manager Mackay.

James Hazen Hyde, formerly controlling owner of the Equitable Life, is to marry the Countess Louis de Gontaut-Biron, nee Martha Leishman of America. James will now settle down and cease to be an oats farmer.

The Independent Order of Foresters has withdrawn from Minnesota and Wisconsin.

The business of the Central department of the California, at Chicago, has been reinsured in the Commercial Union.

The sale of the Des Moines Life to the National has been confirmed by the district court.

POSITION WANTED

Young lady wishes position as bookkeeper and cashier in insurance office.

Address The Coast Review.

WANTED

Position as stenographer in insurance office, by young lady.

Address The Coast Review.

The Liverpool & London & Globe is opening a farm department in the Middle West.

President Evans of the Continental denies he is interested in the several motor insurance companies of dubious and frequent mention.

It is now proposed that the National Association of Life Underwriters merge with the National Association of Local Agents. This merger will act as a compound life preservative.

The convicted burners (Covitzes of Chicago) have begun suit against the Ætna and other insurers, and expect to recover something against the day of their release from prison.

The London & Lancashire Fire may organize an American casualty company, and take over its Toronto company.

The British & Federal Underwriters is a Norwich Union annex, reporting to Manager Fuller.

Chapman & Nauman now have the Germania Underwriters, British & Federal U. and Jersey U.

J. W. Cochrane, of the Western department of the Fire Association, was among the visitors to the Coast this month, and saw the principal cities.

Wanted: Agent for accident company for California.

Address Editor Coast Review.

Wanted: General agent for life company in California. Exclusive rights and permits appointing of sub-agents. Policies and commissions attractive.

Address Editor Coast Review.



Main Offices
56 Cedar Street

ORGANIZED
APRIL 13th, 1853

THE HOME Insurance Company NEW YORK

ELBRIDGE G. SNOW,
President

The completion of SIXTY YEARS finds THE HOME in the premier position among the Insurance Companies of the world not only in respect of FIRE ASSETS and SURPLUS to POLICY-HOLDERS—but with an unexcelled record for fair dealing in every emergency as well as in ordinary routine—with an unsurpassed equipment, and with the ability as well as the readiness to serve the public, its agents and brokers.

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT:

JAMES C. JOHNSTON, General Agent**J. K. HAMILTON, Asst. General Agent**

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco.

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

LIFE

Three aspects of the matter of efficiency methods impressed me at the Atlantic City convention.

1. The high personnel of the delegates, and especially the leaders, who for force, tact, appearance and general ability to do things—that is, in all the best things that make a fine personality—will rank with the best men to be met anywhere. If we do our best to educate and strengthen our own personality up toward the highest standard of our profession, we shall be much more efficient.

2. The following stimulating outline of our needs in general for any really efficient work, was to me one of the most helpful things of the whole program:

a. Judgment tells us what to do next.

b. Skill shows us how to do it.

c. Virtue (or our real manhood) makes us do it.

3. The remarkable address of Mr. Winslow Russell, in which he gave the convention so generously the plans whic the Phoenix Mutual is devoloping was a fundamental study of real efficiency methods, based on the fundamental idea that ours is a business of averages. As our companies average their mortality and their investments over many lines and securities, so we must average our work over the families of our communities. We must not expect them to discover for themselves the unselfish needs which it is our professional work to satisfy. We must see the many who ought to in order to get the few who will.—Franklin W. Gause in The Standard of Boston.

The Hartford Fire has opened agencies in Amsterdam and Paris.

Agents Do Well who Represent the
SAN FRANCISCO LIFE INSURANCE COMPANY

**Experienced Life Insurance Men
 and Successful Business Men Direct its Affairs**

Business and Resources are Increasing. Interest Earnings are
 6.30 per cent. Low Mortality Experience Shows
 Good Class of Policyholders.

Home Office: 57 POST ST. San Francisco, Cal.

GERMANIA

FIRE INSURANCE COMPANY,
 NEW YORK.

ORGANIZED 1859.

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

HEAD OFFICE

Cor. William and Cedar Sts.

Bubble Bursts

The Western Consolidated, Coal, Gas and Electric Co. of California, a high finance scheme, capitalized at \$7,500,000, is to be sold at auction. It is said that over \$3,000,000 bonds are outstanding, four years old, and not an interest coupon ever paid. A blue sky law would have prevented this bubble

THE
Standard Accident
 Insurance Company
Of Detroit, Mich.

LEM W. BOWEN, President J. S. HEATON, Secy.

Cash Capital, \$ 500,000
Gross Assets, - 4,377,439
Claims Paid, - 16,500,000

Writes Accident and Sickness Insurance, Accident Policies Provide for—Unlimited Indemnity, Beneficiary Benefits, Accumulations, Optional Benefits, Hospital Indemnity, Combination Features, Surgeons' Fees Where no Claim for Disability is Made, Special Benefits for Sunstroke, Freezing, Etc.

Accident and Sickness Insurance for Women.
Contracts Practically Without Conditions.

CLARENCE F. BRIGGS.
 SUPT. PACIFIC COAST DEPARTMENT.
 California, Oregon, Washington, Idaho, Nevada, Arizona, Utah, and the Hawaiian Islands.

Mills Bldg., San Francisco
 H. H. HAIGHT, District Agent.
Contracts Unexcelled. Agents Everywhere.

floating. The Western Metropolis Bank of San Francisco appears to have lent the concern a lot of money.

At Omaha the Germania Life is being sued because of an attached typewriter estimate of deferred dividends. Plaintiff sues to make defendant responsible.

Our Directory of Pacific Coast Fieldmen

Special Agents are invited to send us corrections

Aetna

San Francisco—G. A. R. Heuer
G. E. Townsend, A. R. Muir
E. V. Culver
Los Angeles—H. E. O'Brien
J. A. Gallagher
Seattle—F. H. Rhoads
Spokane—G. S. Mariner
Salt Lake—H. F. Mills

Atlas

Denver—Wm. Maunby
Seattle—R. V. Miller
San Francisco—F. H. Elster
A. E. Ehrhorn
Spokane—H. W. Sabin
Los Angeles—H. R. Jackson

Bertheau, Selbach & Bertheau

San Francisco—L. D. Schnabel
K. C. V. Medcraft
Los Angeles—R. L. McCulloch

Edward Brown & Sons

San Francisco—Wm. H. Hill,
W. H. Gibbons, L. M. Hale
W. B. Westlake
Los Angeles—Chas. Van Valkenburg
Seattle—W. P. Pope
Spokane—Chas. A. Wendler
Salt Lake—J. P. Hague

California

San Francisco—H. C. R. Buswell,
Supt. of Agencies
J. W. Warner
Los Angeles—Leigh H. Robins
Seattle—A. N. Lindsay, C. M. Rupe
Portland—B. A. Sifford

Cattion, Bell & Co.

San Francisco—John E. Cosgrove,
Asst. Manager
Sacramento—F. A. Stahl
Spokane—L. N. Fisher, Jr.
Portland—W. M. Pafferson
Los Angeles—Frederick F. Richards

Chapman & Nauman Co.

San Francisco—Edw. B. Fleming
Seattle—Jas. B. Trumbull

Christensen & Goodwin

San Francisco—R. De Lappe,
C. R. Parmentier, Geo. T. Gray,
Carl A. Truitt, J. R. Mackay
Los Angeles—E. B. Flack
Seattle—Wm. F. Zwick
Spokane—Walter A. Frazier
Portland—Fred Tebben
Helena—John B. Fritsch
Boise—L. J. Dibble

Cobb-Drennan Co.

San Francisco—A. A. Perry
Los Angeles—Alex. MacDougald

Commonwealth of N. Y.

Spokane—O. Unmack

Continental

San Francisco—F. P. Wilson
Sacramento—J. C. Wickler
Los Angeles—G. L. McIntire
Portland—W. A. Williams
Spokane—J. A. Carlson
Denver—L. S. Day, Arthur E. White
W. O. Campbell
Seattle—G. L. A. Latzer

Curtis & Gordon

San Francisco—
Charlene L. Greenwalt
Portland—E. C. Morgan
Los Angeles—Leo L. Gibson

Connecticut

San Francisco—Guy Francis
C. W. Von Tagen
Los Angeles—L. P. Stephens
Portland—James S. Reed
Salt Lake—W. S. Ferris

Fireman's Fund

San Francisco—R. D. Hunter
Samuel Simmen, John J. Ham-
mond, Kenneth Brown,
A. E. Webber, Bayard E. Nourse
Miran B. Swett
Los Angeles—Weldon D. Whelan
Chester A. Swift
Portland—Chas. R. Thompson
Chas. R. Stone, H. B. Tickner
Seattle—Frank L. Emerick
Spokane—Jas. R. Quick
Denver—F. G. White, W. P. Coffey
Frederick R. Lanagan
S. E. Norton
Dallas—C. C. Wright, J. H. Snell
J. C. Stephens
Helena, Montana—C. D. French

Fire Association and Philadel- phia Underwriters

San Francisco—Thos. F. O'Grady
Charles L. Barsotti, Howard W.
Hogan
Los Angeles—Geo. F. Staniford
Portland—F. J. Alex Mayer
Helena—Percy B. Churchill
Denver—L. D. Griffin

Fidelity-Phenix of New York

Portland—A. P. Lange
Spokane—H. F. Mills
Los Angeles—F. E. Alderson

Germania Fire

Portland—Fred S. Penfield
Spokane—P. L. Welte
San Francisco—Z. M. Boyer

George O. Hoadley

San Francisco—Alex. J. Cartwright
Los Angeles—Fred G. Ainley
Portland—A. H. Jackson
Walla Walla—F. J. Root

Hanford & de Veuve

Seattle—B. D. Smalley, H. A. Canfield
Spokane—A. L. Merritt
Portland—D. T. Child
San Francisco—C. De Veuve

Dixwell Hewitt

San Francisco—Geo. E. Devine
M. E. Spaulding, R. E. Dollard
J. Henry Wolbold
Wm. S. Dennis, L. H. Earle
Los Angeles—P. H. Griffith
E. E. Price
Portland—J. J. Dennis
Spokane—Neil Stewart
Salt Lake—Chas. E. Miller

Home, New York

San Francisco—Harry L. Roff,
J. J. Sheahan, H. W. Wagenet
E. A. Sheahan, G. W. Madison
Los Angeles—Chas. Quitzow
James S. Suydam
Portland—J. D. Coleman,
John C. Fox, B. L. Barry
Spokane—Vernon B. McDowell
Salt Lake—Junius Young,
Lawrence C. Young

Ins. Co. of North America & Alliance

San Francisco—L. C. Holloway
Portland—Bernard Frolseth
Los Angeles—Wm. F. Kuhl
Spokane—M. H. Reeves
Billings, Mont.—Gilman L. Camp

Law Union & Rock

San Francisco—J. Percy Carroll
E. M. Brodenstein
Portland—Noah L. Nelson

Liverpool & London & Globe

San Francisco—R. H. Rountree
Harrison Houseworth
Chester S. Myrick, Geo. J. James
Los Angeles—R. G. Brush
Logan B. Chandler
Portland—W. H. Raymond
Walla Walla—F. E. Atkins

London & Lancashire and Orient

San Francisco—W. B. Hopkins, Local
Secretary; Geo. Ormond Smith,
Agency Supt.; G. T. Richmond
Sacramento—Wm. W. Gilmore
Los Angeles—J. P. Yates, Agency
Supt.
Portland—G. L. Goodell
Denver—Nicholas Gardner
Seattle—David H. Parry
Salt Lake—N. W. Clayton, Jr.

London

San Francisco—Wm. H. Hackett
Supt. of Agencies
Phillip R. Weinmann, Ben L.
Penfield
Los Angeles—C. W. Rohrer
Portland—Rod E. Smith
Seattle—P. J. Perry
Spokane—J. E. Johnson
Denver—T. S. Heath

E. T. Niebling

San Francisco—F. J. H. Manning,
Geo. F. Heuer
Los Angeles—Walter H. Young
Portland—H. E. Parkhurst
Spokane—Geo. W. Swan
Salt Lake—Arthur Mack

New York Underwriters Agency

San Francisco—V. H. Quitzow,
A. C. Anderson
Los Angeles—H. Harry Smith
Seattle—A. E. Bailey
Spokane—H. B. Hagen

New Zealand

San Francisco—D. A. Purker
Los Angeles—C. P. Lyndall
Portland—W. G. Fortmann
G. A. DeGroof
Denver—Fred Williams

North British and Mercantile

Seattle—E. J. Young
Spokane—P. W. Gedney
Los Angeles—Chas. Harris
San Francisco—F. J. Schooneman
C. F. Milliman, G. W. Dearborn
Denver—E. C. Willey
Portland—H. E. Smith

Northern

San Francisco—L. C. Holloway
Los Angeles—G. Mueller
Portland—D. Ross Atkinson
Seattle—Geo. F. Guerraz
Helena—E. C. Fotheringham

Northwestern National

Portland—G. F. Nickerson
 Seattle—A. M. Jones
 Los Angeles—W. E. Labry
 San Francisco—C. W. Greene
 H. L. Clark
 Tacoma—L. S. Frudenberg

National Union

San Francisco—R. R. Roper
 Seattle—Henry G. Green
 Los Angeles—William M. Stodghill

Norwich Union

Los Angeles—F. C. Staniford
 San Francisco—William L. Wallace
 Portland—A. W. Giesy, H. W. Randall

A. C. Olds

San Francisco—Paul St. John
 Los Angeles—Warren Campbell
 Sacramento—E. E. Panabaker
 Portland—Chas. A. Colvin

Edwin Parrish

Portland—Chester A. Deering
 Spokane—John A. Carlson
 Los Angeles—R. H. Reynolds
 Sacramento—W. D. Young
 San Francisco—R. T. Boyd, O. D. Baldwin

Pennsylvania

San Francisco—S. P. Mesick,
 superintendent of agencies
 F. A. Lathrop
 Oakland—F. J. Agnew
 Los Angeles—A. C. McConnell
 Portland—Chas. V. McCarthy

Phoenix, London

San Francisco—Otho N. Hall
 (Geo. F. Roberts, Munro English)
 Portland—Edwin C. F. Knowles
 McCrea Stephenson
 Spokane—J. Robb Gay, Wm. J. Morin
 Los Angeles—Victor L. McNaill, B. J. Kellner

E. E. Potter & Sons

San Francisco—E. G. Potter,
 Supt of Agencies; H. G. Davis
 Los Angeles—C. H. Gatchel
 Seattle—C. R. Kerns
 Bozeman—C. E. Dunlop

Royal and Queen

San Francisco—F. M. Gilcrest
 J. E. Walden, Fred. H. Farr
 R. S. Folger
 Fresno—E. P. Eldred
 Los Angeles—J. K. Urmston
 F. J. Perry
 Sacramento—D. L. Stewart
 Portland—H. R. Burke
 Seattle—Matt B. Evans
 Salt Lake—J. H. Banks
 Salem, Or.—C. D. Gabrielson
 Spokane.—J. T. O'Brien

Springfield

San Francisco—Geo. C. Coddling
 Frank H. Young, H. K. Nourse
 Los Angeles—J. E. Crandall
 Portland—J. F. R. Webber
 Seattle—C. H. Anderson
 Salt Lake—L. B. Rogers

Scottish Union & National State Assurance

San Francisco—J. H. Fuller
 Rollin M. Kelley
 Los Angeles—Chas. F. E. Niemann
 Tacoma—Fred W. Gaston
 Spokane—H. C. Edmundson
 Denver—John M. Hopkins, J. L. Reams

Geo. H. Tyson

San Francisco—Harry Benner,
 superintendent of agents;
 J. B. Hatcher, H. L. Cope
 Douglas Parker, Robt. R. Weber
 Los Angeles—A. C. Wright
 E. R. Holland
 Sacramento—E. F. Hewitt
 Portland—W. Harvey Wells
 Seattle—W. T. Burwell
 Tacoma—Walter F. Higbee
 Spokane—F. O. Vincent
 Salt Lake City—Arthur A. Ferns

C. H. Ward

San Francisco—M. E. Page
 V. C. Sessions
 Los Angeles—R. H. Davis
 Portland—E. A. Parsons

Wayman and Henry

San Francisco—W. W. Cleveland,
 J. R. Kenna, E. P. Caine, John
 A. Faul, J. N. Waters
 Los Angeles—Edward A. Rowe
 James F. Boylan
 Portland—E. R. Thompson
 Seattle—Bruce Kaltz
 Spokane—W. S. Gill, C. B. Harris
 Denver—C. S. Hill, H. R. Schroeter

Western and British America

Seattle—H. P. Hildreth
 San Francisco—Harold M. Dinsmore

Appraisers

San Francisco—J. P. Treanor
 Portland—Wm. B. Honeyman

To Managers**To Special Agents**

THE COAST REVIEW contemplates
 printing hereafter, in full,

Fire Decisions of the Supreme Court
 of California and of the Supreme Courts
 of Other Coast States.

THIS DIRECTORY

Depends on Specials and Man-
 agers for its correctness.

Send us changes.

Incendiary Fire in the Middle Ages.—
 Gregory of Tours narrates the miraculous
 efficiency of a small pellet of wax, taken
 from the tomb of St. Martin, in extinguish-

ing an incendiary fire started by his Satanic
 majesty, in malicious envy, because this
 omnipotent talisman was in the custody of
 an ecclesiastic.

FIRE**NIAGARA FIRE** Insurance Company

Assets, - \$6,981,389.16 Surplus to Policyholders, - \$3,664,392.31

DETROIT FIRE & MARINE Insurance Company

Assets, - \$2,194,259.14 Surplus to Policyholders, - \$1,549,532.75

NIAGARA - DETROIT UNDERWRITERS

Assets, - \$10,661,489.00 Surplus to Policyholders, - \$5,966,544.00

EDWIN PARRISH, Manager*Pacific Coast Department 334 Pine St., - San Francisco***AUTOMOBILE****LIFE**

I was greatly impressed by the proceedings of the Atlantic City convention of the National Association of Life Underwriters. Some of the dominating

LIFE

characteristics were earnestness, dignity and the determination to accomplish. All of the sessions bore witness to the fact that this was no junket but a meeting of men determined to do something for each other and for the cause of life insurance, and through this for the millions of policyholders whom they represent. Any thinking man must have come away with vastly larger ideas of the tremendous potentialities of life insurance to complex social structure. It has indeed become one of its principal supports. As I attended the sessions I became more and more impressed with the great possibilities for good represented by these more than nine hundred insurance men and the other one hundred thousand who were not present. — J. Everett Hicks.

MEN WHO CAN DO THE WORK

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

UNION MUTUAL LIFE Insurance Company

PORTLAND, MAINE.

FRED E. RICHARDS, PresidentAddress ALBERT E. AWDE, Supt.,
336 Congress St., Portland, Maine.**GEO. ELLIOTT HUNT, Manager**
Shreve Bldg., San FranciscoT. H. McAllis, Manager, Sherlock Bldg.,
Portland, Ore.P. B. Duren, Manager, Boston Block, Seattle,
Wash.The Western States Agency Co., Manager,
225 Foster Building, Denver, Col.

J. E. Evans, Manager, Vancouver, B. C.

Wisconsin.—This state is now embarked in life insurance. The limit is \$3,000. The insurance commissioner declares he will write insurance without agents or salaries and at half price. Mr. Ekern has written himself down an ass. His brother edits a paper in San Francisco, which says that in time the state will put the life companies out of business.

LIFE

Indiana has a "States Investment Co." It may end like California's.

A Middle West company is issuing an old age benefit policy. Old age begins at 65.

At Denver the Mutual Life has appointed H. O. Snyder supt. of agts.

The editor of the Daily News addressed the Tacoma Life Underwriters Association on the psychology of life insurance, which he said began about the time of Socrates.

The Capitol Life of Colorado will be sold.

The new Union Life building in Cincinnati was dedicated last week, in a celebrated fashion. President Clark was toast-master at the banquet. President Kingsley of the New York Life was present at the banquet. He also was a forceful and eloquent speaker. Robt. Lynn Cox spoke on the "Strength That Comes with Service."

GOOD AGENTS WANTED

THE

West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, President
C. O. G. MILLER, Vice-President
JULIAN SONNTAG, second Vice-President
WILLIAM C. HAMMOND, Secretary

Health and Accident Insurance

The Preferred
Accident Insurance Co.
OF NEW YORK.

KIMBALL C. ATWOOD, President
WILFRID C. POTTER, Secretary

Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

Sample page of the Coast Review Pacific Fire Chart for 1913

FOREIGN COMPANIES

CAPITAL. NET SURPLUS. YEAR ORGANIZED.	FINANCIAL CONDITION			INCOME		EXPENDITURES		RATIOS		PACIFIC DEPT.					
	GROSS FIRE ASSETS	LIABILITIES	SURPLUS AS TO POLICY HOLDERS	REINSURANCE RESERVE	NET PREMIUMS RECEIVED	TOTAL INCOME	TOTAL EXPENDITURES	LOSSES PAID	EX-PENSES	LOSSES TO PREMIUMS	EXPOSURE TO PREMIUMS	PREMIUMS RECEIVED	LOSSES PAID	LOSS RATIO	
JANUARY 1st.															
Scottish Union & National, Edinburgh.	1913	5,385,681	2,328,219	3,267,466	2,132,839	2,430,748	2,015,126	1,117,403	838,277	33.6	39.2	413,291	153,258	37.0	
	1912	5,308,825	2,279,679	3,029,145	2,025,189	2,383,962	2,075,215	1,227,800	853,016	37.5	39.1	412,765	131,184	31.7	
	1911	5,200,072	2,134,163	3,165,909	1,897,707	2,046,112	2,222,463	1,520,280	1,058,855	798,139	30.7	39.0	399,066	147,998	37.0
	1910	4,848,152	2,165,368	2,682,786	1,926,371	1,926,182	2,257,641	1,257,641	795,651	725,269	46.1	36.6	356,663	161,791	45.5
	1909	5,114,297	2,269,436	2,845,861	1,901,012	1,883,985	2,139,300	1,065,986	1,151,698	721,075	37.9	36.3	267,225	129,466	48.1
State Assurance, Liverpool.	1913	457,777	119,325	338,451	108,675	111,630	158,660	125,500	64,249	43.078	37.5	21,280	6,296	29.0	
	1912	493,286	128,255	365,030	106,295	120,465	138,769	129,019	65,951	46.769	31.3	38.4	8,596	22.2	
	1911	428,230	116,612	311,618	93,117	127,489	148,691	111,686	67,157	87,506	32.6	37.3	25,937	11,741	37.7
	1910	430,148	97,981	332,167	88,071	109,229	124,761	130,336	42,373	87,506	35.6	40.5	26,099	9,111	35.1
	1909	417,656	95,971	321,685	84,914	111,357	125,380	141,979	100,383	39,568	30.1	33.3	28,216	53,065	191.0
SUN INSURANCE OFFICE, London.	1913	4,622,087	3,379,987	1,242,099	2,917,937	2,822,506	3,090,547	2,670,644	1,456,218	1,143,233	51.5	40.5	408,286	180,010	39.6
	1912	4,519,231	3,175,011	1,344,180	2,771,067	2,847,706	3,011,388	1,461,188	1,163,134	51.0	40.5	471,719	160,451	34.0	
	1911	4,247,769	3,088,081	1,159,676	2,751,097	2,651,457	3,228,145	1,477,823	1,186,673	47.6	39.2	416,216	182,217	43.8	
	1910	4,206,739	3,013,153	1,193,584	2,635,068	2,677,119	3,227,000	1,609,477	1,158,300	1,176,076	46.3	37.3	391,822	136,473	39.6
	1909	4,000,249	2,752,239	1,247,916	2,463,295	2,802,895	2,972,829	2,365,780	1,358,176	1,177,288	33.6	38.0	371,125	153,666	35.8
Svea, Gothenburg.	1866	1,285,270	708,665	616,665	675,522	736,044	785,706	695,705	405,750	330,035	55.1	41.8	220,769	127,614	58.5
	1912	1,361,411	726,978	624,433	611,004	729,412	793,492	700,540	398,648	308,393	38.7	43.6	297,779	137,573	48.1
	1911	1,398,907	713,033	585,874	649,613	716,334	757,549	681,820	347,655	305,611	39.2	42.6	258,765	123,587	48.1
	1910	1,263,939	693,077	570,882	615,711	706,330	713,747	658,280	363,650	302,639	39.2	41.1	296,178	131,328	42.6
	1909	1,167,748	657,782	509,966	578,516	681,619	718,173	663,719	363,115	293,303	33.2	43.0	229,763	81,880	37.1
UNION ASSURANCE, London.	1913	957,924	343,819	611,104	315,535	407,710	690,722	300,728	292,064	146,290	54.5	35.9	373,689	391,126	59.1
	1912	1,328,790	346,556	982,232	287,173	499,552	406,360	316,206	162,932	143,871	37.8	33.3	139,508	150,377	44.3
	1911	1,341,989	286,421	1,055,567	1,055,147	376,630	601,879	153,984	164,348	147,905	43.6	39.1	127,099	116,697	44.3
	1910	1,492,928	318,103	1,174,824	1,131,824	338,101	919,951	639,913	191,834	112,511	36.7	30.0	310,200	118,729	43.7
	1909	1,014,427	388,633	625,794	359,627	528,711	528,711	737,619	355,796	152,984	38.9	42.5	370,227	130,271	35.1
Western Assurance, Toronto.	1851	2,464,562	1,446,342	1,018,319	1,238,219	1,563,636	1,662,745	1,588,927	867,951	693,251	55.4	42.5	171,200	86,982	50.3
	1912	2,404,810	1,377,801	1,027,009	1,145,996	1,541,101	1,541,101	1,581,927	819,673	620,825	36.2	42.5	190,262	68,119	34.9
	1911	2,361,431	1,305,119	965,982	1,190,947	1,500,931	1,581,587	1,608,618	928,918	619,313	61.9	41.9	297,100	89,496	41.3
	1910	2,377,303	1,338,035	899,268	1,283,031	1,825,677	1,588,639	1,588,639	921,311	647,128	32.1	38.2	397,796	93,780	41.3
	1909	2,184,632	1,458,413	726,219	1,217,700	1,616,543	1,768,800	1,913,525	1,256,328	640,358	77.7	39.6	265,183	83,135	40.5
Yorkshire, York, Eng.	1821	800,509	277,332	522,977	231,304	374,533	396,532	215,851	60,792	155,089	24.9	41.2	70,469	7,775	11.0
	1912	631,984	54,434	577,550	47,945	89,238	94,401	45,480	9,746	35,731	17.3	40.1			

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
Occidental Life Insurance Co.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.



NEW YORK UNDERWRITERS AGENCY

Cash Assets January 1, 1913,	- - - -	\$26,492,318.21
Net Surplus January 1, 1913,	- - - -	8,513,692.22
Surplus to Policyholders January 1, 1913,	- - - -	10,513,692.22
Losses Paid, Over	- - - -	158,607,806.03

H. R. MANN, Manager

F. M. BRANCH, H. R. MANN Jr., Assistant Managers

Pacific Department: 339-341 Sansome St., San Francisco

SPECIAL AGENTS AND ADJUSTERS:—V. H. QUITZOW, A. C. ANDERSON, SAN FRANCISCO, CAL.; A. E. BAILEY, SEATTLE, WASH.; H. HARRY SMITH, LOS ANGELES, CAL.; H. B. HAGEN, SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO. OF TORONTO

(INCORPORATED 1833)

United States Assets	\$1,746,624.71
Liabilities in United States	1,045,080.89

Surplus \$701,543.82

PACIFIC COAST DEPARTMENT

129 Leidesdorff Street, - San Francisco

MILLER, SCOTT & HENLEY, Managers

FIRES

ERCOVICH, Mrs. KATIE, 232 New street, San Jose, Cal.; one-story frame dwelling and contents. Two fires, one of which was incendiary; August 10 and October 25, 1913. Board of Fire Underwriters has offered \$250 reward.

BEERS, MRS. DANIEL, 126 Park st., Fresno, Cal., Nov. 2, a dwelling owned by Mrs. Boast. Fire started in three places. In a drawer and also under the staircase rags and clothing soaked in coal oil were found. Mrs. Beers's furniture was insured.

American Central INSURANCE COMPANY of St. Louis Established 1853
 Assets, \$5,549,279 Surplus to Policyholders, \$2,410,275 Losses Paid, \$26,531,745

St. Paul F. & M. INSURANCE COMPANY of St. Paul, Minn. Established 1865
 Assets, \$8,785,319 Surplus to Policyholders, \$3,351,370 Losses Paid, \$44,006,102

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS of St Louis
 Assets, \$5,549,279
 Surplus to Policyholders, 2,410,275

Minnesota UNDERWRITERS of St. Paul
 Assets, \$8,785,319
 Surplus to Policyholders, 3,351,370

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817 Of PHILADELPHIA Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital, -	\$ 750,000.00	Cash Assets, -	\$9,091,141.00
Net Surplus, -	2,590,263.00	Policyholders Surplus, -	3,340,263.00

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets, -	\$26,907,330.00	Surplus to Policyholders, -	\$12,185,135.00
Net Losses Paid in San Francisco in 1906, -			\$5,064,178.03

FRANK M. AVERY, Manager—California, Arizona and Nevada
 Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles
 315 California Street, - - - San Francisco

FIRE

The C. A. Smith Lumber Co. loss at Bay Point, Cal., was finally settled at \$512,000, or 77 percent of the insurance. There was a 90 percent insurance clause, and the economical knowitall Smith of Oakland is over \$19,000 shy on that account. He was always looking for cheap insurance and declined to make improvements of the risk. Therefore the big stock companies generally kept off, and also the Lumber Exchange. Lloyds of London were

soaked \$115,000. The National Union was hung up for \$45,000 and the Stuyvesant for \$52,500. A Kansas City Lumbermen's interinsurance bunch of reeds fell for \$50,000, and the Manufacturers Woodworkers of Chicago for \$35,000. It is not said the insured have recovered all their low-rate insurance.

Oakland, Cal., Oct. 17. — Two attempts made to burn barn of Morgan M. Williams of 2842 Fifty-ninth street. Rubbish saturated with coal oil found.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES, \$2,826,707.00

Office : **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

FIRE

The Hibernia is being got ready for the ring in Illinois.

President Milligan of the Phoenix is also president of the Connecticut Fire.

What is the use of compiling and classifying fire losses and basing rates thereon? The state rate-makers in Kansas, Missouri and Kentucky, a continuous and contiguous stretch of noodle-flap-doodle land, ignore all such statistics and go right along making rates in a manner coolly designed to make votes for "the party."

The new joint foreign fire manager of the North British, with L. Sinclair, is Arthur Worley.

The Western Union Fire of Vancouver will not reinsure its British Columbia business in the Ontario Fire, the British Columbia provincial insurance department having forbidden it.

Fire losses in the East and notably in the Middle West have increased in an extraordinary degree this year. At least, so the complaining underwriters say.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	\$ 250,000 00
Cash Assets (Gold)	2,096,766 26
Net Surplus over Capital (Gold)	1,357,229 46
On deposit in the United States, (registered U. S. bonds)	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents
Since January, 1882

J. J. THEOBALD, Manager

320 California Street, San Francisco

[Babcock Building]

PHŒNIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building
(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building

33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employees. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.

Royal Insurance Building

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

**POLICY
PROVIDING
PERFECT
PROTECTION**

Life Premiums Cease if Permanently Disabled.

Monthly Indemnities. Guaranteed Dividends.

HOME OFFICE
SEATTLE

\$200,000.00 Deposited With State Treasurer

U. S. A.

Reserves and Surplus to Policyholders over \$500,000.00

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets \$2,464,562.05

Liabilities in United States 1,446,243.42

Surplus **\$1,018,318.63**

PACIFIC COAST DEPARTMENT

129 LEIDESDORFF STREET - - - SAN FRANCISCO

MILLER, SCOTT & HENLEY, Managers.

Total Assets Represented over \$20,000,000

Svea

Insurance Company
of Gothenburg

Agricultural

Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire

Insurance Company
of New York

Hamilton Fire

Insurance Company
of New York

Globe Underwriters

of New York

EDWARD BROWN & SONS

General Agents Pacific Coast Departmen

202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

Statements showing the standing of the

CALEDONIAN	INSURANCE COMPANY	Of Edinburgh
The oldest Scottish Fire Office (Organized 1805)		
Capital	\$5,078,365 32	Assets, \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN	INSURANCE COMPANY	Of New York
Capital	\$200,000 00	Cash Assets \$253,114 00
		Surplus to Policyholders \$238,104 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus \$2,230,405 19
--------	-----------------	----------------------------

Pacific Department Office: 430 California Street, San Francisco.

A. C. OLDS, Manager
BALFOUR, GUTHRIE & CO., Pacific Coast Directors

Pacific Surety Company

OF SAN FRANCISCO, CALIFORNIA

<i>Accident and Health</i>	<i>Employers' Liability</i>
<i>Plate Glass</i>	<i>Workmen's Compensation</i>

INSURANCE THAT INSURES

C. H. CRAWFORD, PRESIDENT	ESTABLISHED 1885
------------------------------	---------------------

The London Assurance Corporation

OF LONDON

Cash Assets. \$24,899,825.00

The London Underwriters

SPECIAL AGENTS — C. W. ROHRER, Los Angeles, Cal.; ROE E. SMITH, Portland, Oregon;
F. S. HEATH, Denver; J. E. JOHNSON, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco;
PERCY J. PERRY, Seattle.

A. W. THORNTON, Manager

J. M. MENDELL, Assistant Manager

G. E. GOGGIN, City Manager

WM. HACKETT, Supt. of Agents

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

Excellent Point. — "So you've got a phonograph, have you?" asked the lady on the fourth floor.

"Yes; can you hear it up in your apartment?" asked the lady on the second floor.

"No; we cannot. I suppose it has some other good points, too?" — Yonkers Statesman.

A San Francisco company official will retire on January 1.

The Calumet Underwriters will succeed the defunct.

The Germania Fire transfers Fred S. Penfield from Portland to San Francisco.

The slit skirt is defended as facilitating the finding of the purse.

ONE HUNDRED AND FOUR YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH (which are but a small part of total fire assets of the Co.) **\$9,139,794.00**

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

GEORGE M. WARD, Resident Secretary, Local Dept.

234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON OREGON, MONTANA.

P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH WYOMING.

CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA, and ARIZONA.

G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, SAN FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$—— in premiums." "My business is chiefly ——." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824.

North American Branch:

Hartford, Conn.

**JAMES H. BREWSTER
MANAGER.**

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash., Oregon, Washington, British Columbia.

JOHN M. HOPKINS, State Agent,

JOHN L. REAMS, Special Agent,

706 Gas and Electric Bldg., Denver, Colo.,

Colorado, Wyoming, New Mexico, Utah,

H. C. EDMUNDSON, Realty Building,
Spokane, Wash.,

Montana and Idaho

H. W. FORES, San Francisco, Cal.,
General Agent, California, Nevada, Arizona.

SAN FRANCISCO OFFICE:

409 California Street

HOME LIFE INSURANCE COMPANY OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—*"The Come'l & Fin'el Chron."* 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. of Agts.,

256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT

General Insurance Co.

Established 1865

Entered United States 1896

U. S. Department 123 William St., New York, N. Y.

Liability

Workmen's Collective

Workmen's Compensation

Burglary

Personal Accident and Health

Industrial Accident and Health

Agents Wanted For Unoccupied Territory

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Pacific Coast General Agent

340 Sansome Street San Francisco

AGENTS WANTED

To Solicit Subscriptions for The Coast Review, now in its 42d year. Good commissions. Sample Copies sent in advance. Will pay well any active man. Special offerings. Write Publisher for further particulars.

National Union

Fire Insurance Company

of Pittsburg, Pa.

Cash Capital, - - - - -	\$1,000,000.00
Surplus to Policyholders, - - - - -	1,545,227.00
Assets, - - - - -	4,136,638.00

METROPOLITAN DEPARTMENT
SAN FRANCISCO

604 Merchants Exchange Building

DIXWELL DAVENPORT,

E. C. DIETZ,

MANAGER

ASS'T MANAGER

FIELD REPRESENTATIVES:

R. R. Roper, NORTHERN CALIFORNIA

604 Merchants Exchange Bldg, San Francisco

Wm. M. Stodghill, SOUTHERN CALIFORNIA

302 Stimson Building, Los Angeles, Cal.

FRANK, GEORGE, Meridian road, near San Jose, Nov. 3. Fire started in sulphur house and spread so rapidly that little was saved. Several hundred tons of prunes and the packing house destroyed.

PIERCE EMPORIUM, Los Angeles, November 3. Two-story bldg. almost destroyed. Damage to mercantile stock \$100,000. Fire possibly caused by defective wiring. Damage to building \$25,000.

Ontario, Cal., High School Fire.—Science building badly damaged, Nov. 7. Loss probably \$70,000. Cause, thought to be spontaneous combustion among chemicals in laboratory.

Fresno, Nov. 7. — Fire at an early hour this morning at Lamore destroyed Horlock & Clovis' hardware store, causing loss estimated at \$3,000. The fire department from Hanford aided in preventing spread of the conflagration. Who is going to get the German of Pittsburg?

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

Boston, Mass.

ARTHUR E. CHILDS, President

WILLIAM C. JOHNSON, Vice-President and General Manager

Union Assurance Society, Ltd.

1714

OF LONDON

1913

Assets, \$6,000,000.00

CATTON, BELL & CO., General Agents

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Manager

JOHN E. COSGROVE,
Ass't Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—WM. M. PATTERSON, Portland
F. F. RICHARDS, Los Angeles

I. M. FISHER, Jr., Spokane
F. A. STAHL, Sacramento

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000

LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets, - \$995,596

Capital, - \$300,000

Surplus, - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

332 Pine Street,

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - - San Francisco, Cal.

A. C. OLDS, Manager

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY-THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

431 California Street - - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.

of Springfield, Mass.

Largest Fire Insurance Company Chartered by the State of Massachusetts

Incorporated 1849

Total Assets	\$ 10,407,847 65
Total Liabilities	7,537,140 04
Net Surplus	2,870,707 61

SURPLUS TO POLICYHOLDERS, \$4,870,707.61

NEWARK

Fire Ins. Co.

of Newark, N. J.

Oldest Fire Insurance Company Chartered by the State of New Jersey

Incorporated 1811

Total Assets	\$ 1,870,656 00
Total Liabilities	1,010,774 70
Net Surplus	859,881 30

SURPLUS TO POLICYHOLDERS, \$1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

The Law Union & Rock will move into the mezzanine floor, next to the Connecticut Insurance Exchange building, second or taking in the remainder of the frontage.

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

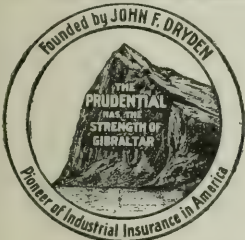
SEMI-ANNUAL STATEMENT, JUNE 30, 1913

Assets	\$10,824,349 81
Liabilities	7,903,328 86
Capital	1,000,000 00
Surplus over all liabilities	1,921,020 95
Losses Paid to June 30, 1913	42,907,985 38

This company issues contracts as follows :

Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance; Liability Insurance; Employers, Public, Teams (Personal Injury and Property Damage), Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation; Steam-Boiler Insurance; Fly-Wheel Insurance.

Pacific Coast Department: { California—CHAS. J. BOSWORTH, General Agent, Merchants Exchange
 San Francisco. Washington and Oregon—SEELEY & CO., 111 S. 19th
 St., Tacoma; Coleman Bldg, Seattle; Board of Trade Bldg, Portland.



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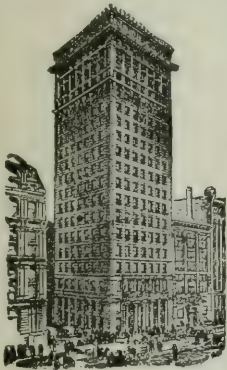
Write to-day about an agency.

THE PRUDENTIAL INSURANCE CO. OF AMERICA

FORREST F. DRYDEN, President.

Home Office, NEWARK, N. J.

Incorporated as a Stock Company by the state of New Jersey.



Prevent Losses through dishonesty. Our
 special short form Insurance
 Bond guarantees absolute protection.

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 CHARLES A. SHURTLEFF, Counsel

R. D. WELDON, Manager, Pacific Coast District

Brewster Cameron, Jr., Acting Mgr. for Northern California and Nevada
 Merchants National Bank Bldg. San Francisco. Telephone Kearny 1099

SURETY

Examiners find the Equitable Surety to have \$955,904 surplus to policy-holders.

The Inter-Mountain Surety of Montana expects to sell all its \$300,000 stock.

LIFE

Insurance at the International Tuberculosis Conference at Berlin

German speakers including Dr. Kaufmann and Dr. Wilhelm Koch, presidents of different sections of the German imperial insurance office, described the amazing results of the establishment of sanatoria for consumptives among the compulsorily insured working classes, not only in reducing mortality, but in rendering life easier for sufferers and their families, and in curing and restoring to a useful working life many of those who had been attacked.

Dr. Kaufmann in his report declared that 92 percent of the patients in sanatoria in 1902 showed such improvement that permanent disability in their cases was not to be feared. Of the patients successfully treated in these institutions in 1907 57 percent were today still capable of earning their living.

Lee K. Frankel of the Metropolitan Life of New York and Frederick Ludwig Hoffmann of the Prudential of Newark, N. J., sent papers describing the Swedish, Finnish and Dutch systems of insurance against tuberculosis as perhaps applicable to the United States. By these systems the insurance companies advance to consumptive policyholders a portion of the face value of their policies, to enable them to undergo treatment in sanatoria. The objection to this system is that companies specializing in such policies are likely to get bad cases and risks.

In the course of the discussion statistics were cited showing that one-fifth of the deaths among policyholders of private insurance companies were due to tuberculosis, which occurred after the insured person had paid an average of only four years premium. The highest percentage of deaths from tubercu-

losis occurs among tailors, weavers, stonemasons and postmen.

Among the papers read was one on the danger of tuberculosis infection from milk, in which Dr. G. J. Hymanns of Ghent said that cows' milk might be contaminated by human tubercle bacilli when handled by persons suffering from tuberculosis.

FIRE

Pensions for Los Angeles Police and Firemen

The ordinances establishing relief and pension funds for the Los Angeles police and fire departments have been passed. The ordinances provide that members of the departments shall be entitled to pensions after serving twenty years, on attaining the age of fifty-five years, or if disabled in the discharge of duties. On retirement the pension will be one-half the salary formerly received. If the pensioner dies, leaving a widow and children, one-third of the pensioner's salary will be paid in equal portions to the widow during her lifetime and to the children until they attain the age of sixteen years; the pension to cease if the widow or children marry. Where a member dies from natural causes, the widow and children or dependent father or mother, will receive an amount based on the number of years of service, as fixed in the following schedule: One year's service, \$100; two years, \$200; three years, \$300; four years, \$400; five years, \$500; six years, \$600; seven years, \$700; eight years, \$800; nine years, \$900; ten years, \$1,000.

The British America has been re-licensed in California.

Mexico.—Four percent gold loan bonds of 1904 have fallen from 93.75 to 77.50; and National Ry 1st pfd from 72.00 to 35.00.

ESTABLISHED 1873

Office of Edward E. Potter

General Agent

The first office to commence paying losses after the conflagration.

The first office to commence paying in full the face of the policies, without discount, for cash or exchange.

The only general agency that remained in San Francisco where its patrons suffered.

The only office that did not compel its patrons to go to the expense and trouble of going to Oakland for the adjustment of their claims.

The Edw. E. Potter General Agency commenced business in 1873 and has never represented a company that was unable to pay its losses in his, the Pacific Coast Department.

**Get the Best Insurance While You Are About It
It Costs No More**

January 1, 1913

OLD AND
TRIED

GLENS FALLS INSURANCE COMPANY

Of New York

Incorporated 1849

SURPLUS TO POLICYHOLDERS	\$5,312,945 00
UNDIVIDED PROFITS	2,486,705 00

SECURITY INSURANCE COMPANY

Of New Haven

Incorporated 1841

SURPLUS TO POLICYHOLDERS	\$3,848,154 00
UNDIVIDED PROFITS	896,217 00

GIRARD FIRE AND MARINE INSURANCE COMPANY

Of Philadelphia

Incorporated 1853

SURPLUS TO POLICYHOLDERS	\$2,492,354 00
UNDIVIDED PROFITS	439,752 00

EDWARD E. POTTER, General Agent

W. W. POTTER, Assistant General Agent

Potter Building, 578 Sacramento St.

San Francisco, Cal.

Fire **Automobile** **Marine**

COMMERCIAL UNION

ASSURANCE COMPANY, Ltd.

OF LONDON, ENGLAND

Subscribed Capital	\$	14,750,000
Paid-Up Capital		1,475,000
Total Cash Assets, Gold		56,579,048
Total Liabilities, including re-insurance reserve		46,019,127
Cash Surplus to Policyholders		10,559,921
Total Amount of Claims Paid		175,573,348

Assets in United States Held by Trustees, \$7,643,751

ALL LOSSES ON THE PACIFIC COAST PROMPTLY PAID THROUGH THE
PACIFIC COAST BRANCH OFFICE

Security Building, 343 Sansome St., San Francisco

E. T. NIEBLING, Manager

H. L. A. BATES, Assistant Manager

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(Which means Restored to Life from the Ashes of the Great San Francisco Pyre)

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RELIGIOUS AND PROFANE WORK

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AGENCY

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Branch Offices : Los Angeles, Cal., Portland, Ore., Seattle and
Spokane, Wash., and Denver, Colo.

AGENTS WANTED IN EVERY CITY, TOWN OR VILLAGE.

1863

50th YEAR

1913

FIRE

AUTOMOBILE

MARINE

Organized in 1863

Firemans Fund

Insurance Company

Incorporated under the Laws of California.

HOME OFFICE: COMPANY'S BUILDING

401 California Street - San Francisco, Cal.

Capital, \$1,500,000.00 Assets, \$9,268,924.08

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VICE-PRESIDENT

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SECRETARY

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J. B. LEVISON

SECOND VICE-PRESIDENT

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ASSISTANT SECRETARY

JOHN S. FRENCH,

ASSISTANT SECRETARY

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171 La Salle St., Chicago, Ill.

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Macon, Georgia

Eastern Department

A. K. SIMPSON, Manager

J. W. LITTLE, Ass't Manager

Mason Building

Boston, Mass.

Atlantic Marine Department

FRANZ HERRMANN, Manager

79-85 Wall Street, New York

VOL. 85
NO. 6

DECEMBER

SEE PAGE

1913

THE

TELEPHONE KEARNY 5934

Coast INSURANCE Review

PROTECTION

An Insurance Journal and Directory

IN ITS FORTY-THIRD YEAR

San Francisco: Merchants Exchange Building

The Only *INSURANCE* Journal in the Pacific West

INSURANCE PUBLISHING CO., Publishers

Fireman's Fund Makes Big Increase in 1913 Premiums

Washington State Deposit Law Sustained at Washington, D. C.

W. W. Alverson Now in Charge of Associated Underwriters
Agency

Is There To Be Another Shake-up?

Pacific Coast Casualty Sues Former General Agent Frank

Frank Avery Has Three More States Added to His Coast
Territory

New World Life Sharply Criticised

Twenty Years Ago Notes

Medcraft and Cosgrove Go with Commercial Union

Taxation of Life Premiums Is Constitutional

Lower Columbia Fire Relief Made to Pay

California Industrial Liability Law

Fraternal Memorial Against Group Insurance

A California Gasoline-Garage Decision

Sudden Death of Col. C. Mason Kinne

Frankfort General Will Engage in Fire Insurance

Youtz and Panagiot Sentenced to San Quentin

Circulating Extensively in all the
States and Territories of the Pacific
West

PRICE 25 CENTS
\$3.00 PER ANNUM

Subscribers in the East, in Europe, in
South America, Japan, China and
Australasia

The Great Fire Insurance Company of the World
 ASSETS IN UNITED STATES, - \$13,739,218.97

LIVERPOOL & LONDON & GLOBE
INSURANCE CO. LTD.

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 H. W. EATON, Manager
 G. W. HOYT, Deputy Manager
 J. B. KREMER, Ass't Deputy Manager
 T. A. WEED, Agency Superintendent

NEW ENGLAND STATES, NEW JERSEY, PENNSYLVANIA, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA, OHIO, INDIANA, KENTUCKY, TENNESSEE.

NEW ORLEANS OFFICE, COR. CARONDELET & COMMON STS.
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 J. G. PEPPER, Ass't. Mgr
 THOS. H. ANDERSON, Deputy Ass't. Mgr

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 R. P. FABJ, Ass't Manager

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ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA, COLORADO, N. DAKOTA, S. DAKOTA, MONTANA, UTAH, WYOMING, NEW MEXICO.

CHICAGO OFFICE, INSURANCE EXCHANGE.
 W. S. WARREN, Manager.
 GEO. H. MOORE, Assistant Manager
 HUGH R. LOUDON, Deputy Ass't. Mgr

Established 1836

Entered U. S. 18

The statement of the condition of the United States Branch on the 31st of December, 1912, in accordance with the laws of the State of New York, is as follows:

Assets	\$13,739,218.97
Liabilities	9,723,246.05

Surplus \$ 4,015,972.92

As an illustration of the Company's practice in maintaining its Assets in the United States in years of excessive loss, the following figures may interest Policyholders:

Year.	Assets at 1st January.	Income.	Expenditure.	Excess of Expenditure.
1871	\$3,054,361	\$3,163,901	\$5,122,653	\$1,958,752
1872	3,640,450	3,733,101	4,484,999	751,898
1873	4,165,290			

Thus showing EXCESS OF EXPENDITURE in the two years of \$2,710,650
 And INCREASE OF ASSETS in the same time of 1,110,929

PROGRESS OF THE UNITED STATES BRANCH.—Net fire premiums: 1848, \$4,519; 1858, \$471,988; 1868, \$1,739,620; 1878, \$2,422,126; 1888, \$3,928,010; 1898, \$4,979,422; 1908, \$7,427,617; 1909, \$7,839,471; 1910, \$8,001,144.

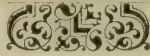
LOSSES.—The amount paid in satisfaction of Fire Losses in the United States in the course of 65 years exceeds \$131,000,000. This large sum in conjunction with the growth of the Company's business, evinces the confidence of the public and the faithfulness with which the Company's losses are adjusted and settled.

PACIFIC DEPARTMENT ESTABLISHED 1852
 In Company's New Building
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 R. P. FABJ, Assistant Manager

Special Agents:

R. G. BRUSH R. H. ROUNTREE HARRISON HOUSEWORTH LOGAN B. CHANDLER
 W. H. RAYMOND CHESTER S. MYRICK F. E. ATKINS GEO. J. JA



Conflagration-Proof Insurance



Losses paid to date, - - over \$164,000,000

PACIFIC DEPARTMENT



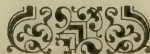
GEO. H. TYSON GENERAL AGENT.
HERBERT FOLGER. ASST. GENL AGENT

SAN FRANCISCO.

Losses paid in San Francisco, - over \$6,000,000

Total Assets Thirty - Five Millions

Agents Wanted in every City, town or Village



YOUR CARD

as a representative of the "Oldest Life Insurance Company in America" will prove your best introduction

The Mutual Life Insurance Company of New York

Impregnable Strength

Incomparable Dividends

Maximum Benefits

Minimum Net Cost

For terms to producing agents, address

GEORGE T. DEXTER, 2d Vice-President

34 Nassau Street,

New York, N. Y.

GENERAL

Mutual Life Death Claims

In the 5 weeks ending October 25 the Mutual Life Ins. Co. of New York paid 523 death claims for \$1,840,098, a sum a million more than the premiums paid by the deceased policyholders.

Among the death claims were these of \$5,000 or more:

Phoenix, Ar., George F. Merryman, an undertaker, \$5,000.

San Francisco, Jonas Schoenfeld, \$35,675; Geo. H. Thompson, \$5,987.

Los Angeles, E. Roger Stearns, automobile salesman, \$10,000.

Modesto, Cal., Willis R. High, banker, \$5,000.

Alameda, Cal., John Pollok, accountant, \$5,000.

Long Beach, Cal., Oliver G. Seeton, \$10,000.

Denver, Wm. R. Hermes, \$8,859.

Harlem, Mont., Chas. H. Barton, \$10,000.

Kalispell, Mont., \$5,015.

Silver Star, Mont., John F. Dullea, \$10,000.

Havre, Mont., \$5,000.

Philadelphia, R. Dale Sparhawk, \$106,300.

Slight ground quivers have recently occurred in Oregon, in central and southern California and in Arizona.

The cost of the navy is merely the annual premium for the insurance of peace. Insurance men should be the last to worry over the payment of any premium.

We don't hear so much nowadays about the "wave of fire."

Boston has had a rookery hotel fire. Boston has many more frame buildings than San Francisco has.

INCORPORATED 1861

The California Insurance Company

Cash Capital, \$400,000 00

Net Surplus, 295,338 00

Total Assets, 1,278,845 00

OFFICERS

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GEO. W. BROOKS, Secretary

E. W. McCARTHY, Vice-President
GEO. L. PAYNE, Treasurer

HOME OFFICE: Company's Building, 550-558 Sacramento St.
SAN FRANCISCO, CAL.

Special Agents and Adjusters

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and at the rate of "Dollar for Dollar."

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Middle East Department, Pittsburg, **LOGUE BROS. & CO., Gen'l Agts.**



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OF LIVERPOOL, ENGLAND.

INCORPORATED 1861

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THE LONDON & LANCASHIRE IS A STAUNCH SUPPORTER OF THE AGENCY SYSTEM
AND DOES NOT WRITE OVER THE HEADS OF ITS REPRESENTATIVES

Pacific Coast Casualty Company

OF CALIFORNIA

EMPLOYERS' LIABILITY—TEAMS—
GENERAL LIABILITY—WORKMEN'S
COLLECTIVE—VESSELS—ELEVAT-
OR—AUTOMOBILE—PERSONAL AC-
CIDENT—BURGLARY and PLATE
GLASS INSURANCE—FIDELITY and
SURETY BONDS.

T. L. MILLER, President

HOME OFFICE:

Merchants Exchange Building
SAN FRANCISCO

CASUALTY

Extraordinary Accident.—Sieved with a dizzy spell while washing dishes, Anna Bruce, 14, a daughter of a well-to-do dairyman of Hickory, fell and was strangled to death when her head slipped in the loop of a harness-repairing strap that was hanging on the wall.

Automobile Accidents.—It is said that Los Angeles leads with twenty-three persons killed and over 600 injured by automobile accidents in the past six months.

In New York the speed of the withdrawals from the plate glass association is shattering all the plate glass business.

The Fidelity & Casualty and the Royal Indemnity are issuing new accident policies.

The General is sending more money to this country.

Bankers Life Company

Des Moines, Iowa

ERNEST E. CLARK, President

Organized 1879

Exceptional Record During Thirty-three Years for

Low Rate of Mortality

Economy of Management

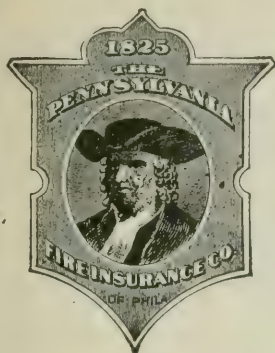
Prompt Payment of Claims

ADMITTED ASSETS, OVER - - - \$19,500,000

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Temporary Office, 206 Westbank Bldg.

A. C. STILSON, Manager, (233 H. W. Hellman Building) LOS ANGELES, Cal.



The Pennsylvania

*Fire Insurance Company
of Philadelphia*

Assets Jan. 1, 1913, \$7,855,611.29

Surplus to Policyholders

Jan. 1, 1913, 3,082,697.30

One of the Oldest and Strongest Fire Insurance Offices
in the United States

Pacific Coast Department:

201 Sansome Street, SAN FRANCISCO

RUSSELL W. OSBORN, Manager

S. P. MESICK, Superintendent of Agencies

SPECIAL AGENTS: A. C. McConnell F. J. Agnew C. V. McCarthy
F. A. Lathrop

LIFE

Proud Of The National Life's Convention

I am always glad to say a good word for the National Association, but I feel tonight like offering the prayer of the mother of the little girl in the kindergarten who, when the teacher asked if she knew any prayer, said "Yes, I know one that mother says every morning — 'O Lord, how I hate to get up.'" I am proud of my profession, and if any of you who have not attended a national convention are not proud of this business, go to the next convention in Cincinnati, and I am sure you will return better satisfied with your occupation and proud of a business which rivals the banks and the railroads in size, and far outstrips them in influence and even furnishes much of the money for their development and growth.—
Vernon B. Swett.

The Metropolitan Life Insurance Company

Pacific Coast Head Office

Metropolitan Life Building

Pine and Stockton Sts.

SAN FRANCISCO

Continental Insurance Company

OF NEW YORK

80 MAIDEN LANE

A wise agent makes his strongest company his leader. That company is certain to be the Continental = = = = =

HENRY EVANS, President

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F. P. WILSON, San Francisco

G. L. McINTIRE, Los Angeles

W. A. WILLIAMS, Portland

G. L. A. LAUER, Seattle

J. A. CARLSON, Spokane, Wash.

J. C. WICKLER, Sacramento

Law Union and Rock

Insurance Company, Ltd.,

OF LONDON



Funds Exceed - - - \$ 47,897,465

Annual Income Exceeds 6,500,000

Claims Paid Over - - 130,000,000

PACIFIC COAST DEPARTMENT

HARRY H. SMITH, Manager

420 Montgomery Street

SAN FRANCISCO, CALIF.

FOUNDED 1806

SPECIAL AGENTS:

NOAH L. NELSON - Oregon, Washington, Idaho and Montana

J. P. CARROLL, E. M. BRODENSTEIN - California, Nevada, Colorado and Utah

APPLICATIONS FOR AGENCIES INVITED

 ☐ THE COAST REVIEW ☐

1871—1913

INSURANCE

SAN FRANCISCO

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Send us 2 cents for some articles on mutual fire insurance.

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Unless otherwise ordered, we do not stop subscription immediately on expiration.

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Letters for publication are always welcome.

FIRE

Incendiarism Blamed for Fourth of Fires in Woods, and Campers Cause 41 Percent

The third annual conference of the supervisors of the national forests in California was held in San Francisco in the first week of December. Twenty-two supervisors representing the nineteen forest reservations in the state attended. This conference was called by Coert DuBois, chief forester for California.

DuBois presented figures analyzing the causes of forest fires, showing that for the last five years brush has caused 15 percent of the calls for aid, campers have been responsible for 41 percent, sawmills 7 percent, and incendiarism 22 percent.

Some \$280,000 a year, or 40 percent of the government appropriation for

California, has been required for fire-fighting expenses.

Deputy Supervisor Maxfield branded as erroneous the theory that fires are frequently caused by the focusing of the sun's rays through broken glass or bottles. He said he had carefully experimented with glass and various ignitable materials, and couldn't even get his hands warm.

Tacoma, Dec. 5.—Fire destroyed 3-s. br. occupied by Tacoma Sta. & Paper Co. and Foster & Kleiser P. Co.; owned by Or. W. R. & Nav. Co.

Fresno, Cal.—Fire authorities have declared the high school auditorium unsafe.

Fire at 259 Twenty-first avenue, San Francisco, Dec. 6, in house occupied by Miss Viena Nelson. Little damage. She said the kerosene on the floor was caused by a broken lamp.

An incendiary fire started in the night of Dec. 6 at 733 Duncan street, San Francisco, occupied by Ralph Patterson, glazier. Nobody at home. Fire extinguished. Traces of kerosene. A few hours later fire again broke out and destroyed the building and also the adjoining building owned and occupied by John Herral.

Hartford.—The complimentary dinner tendered last week in Hartford by Presidents R. M. Bissell of the Hartford and Edward Milligan of the Phoenix to Vice Presidents Whitney Palache and James Wyper of the Hartford and George M. Lovejoy of the Phoenix enabled the newcomers to Hartford to meet a large number of the representative business men of the city and constituted a most agreeable start upon their official careers.—The Standard.

"THE LEADING FIRE INSURANCE COMPANY OF AMERICA."

Incorporated 1819

Cash Capital
\$5,000,000.00

Net Surplus
 \$8,238,392.50
 Surplus as to
 Policyholders
 \$13,238,392.50



Cash Assets Now
\$23,051,531.36

Losses Paid
 in
 94 Years
\$132,981,553.48

All Losses Paid in Cash Without Discount Immediately Upon Adjustment

W. H. BREEDING, General Agent

E. S. LIVINGSTON, Asst. General Agent

**Main Office, 301 California Street
 SAN FRANCISCO**

SPECIAL AGENTS AND ADJUSTERS

J. A. MURPHY, General Adjuster

G. A. R. HEUER, H. E. O'BRIEN, G. E. TOWNSEND, H. F. MILLS, G. S. MARINER, A. R. MUIR, FRED H. ROADS

This Company has absolutely no connection with any other corporation bearing the name of AETNA.

MARINE AND AUTOMOBILE DEPARTMENTS

E. S. LIVINGSTON, Marine Superintendent

325 CALIFORNIA STREET

HARTFORD FIRE

Insurance Company

Chartered 1810



Assets, January 1, 1913, \$26 492.318 21
 Surplus to Policyholders, 10,513,692 22
 Losses Paid, Over . . 158.607.806 00

DIXWELL HEWITT, General Agent

ADAM GILLILAND, Assistant General Agent

430 California Street, SAN FRANCISCO

Special Agents and Adjusters

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December, 1913

The Coast Review

INSURANCE

Subscription, \$3 a Year

In the 43d Year

Foreign, \$3.50

Office 1103 Merchants Exchange

Volume 85

San Francisco, California, U. S. A.

Number Six

Entered at San Francisco Postoffice as second-class mail matter

In this world, young man, the way to "get on" is by willing and being willing.

‡‡

In the Middle West there rises the lamentations of the fire men, who say fire losses have been as vexatious as the tribulum. The printed newspaper estimates, however, show the same general losses as last year. The loss of "the contingent" overcasts the sky for some managers, and the outlook may not be as dark as they say.

‡‡

The life men's turn will come later. Then it will be a return rather than a good turn. However, the foundations of life insurance are builded scientifically on a rock, and financial storms shall not prevail against the superstructure.

‡‡

If only there were an unfailling sign whereby a man would know just when he was being initiated into the Down and Out Club! 'Twould frae many a blunder free him, and foolish notion.

‡‡

The poor shall inherit the earth, because they have babies. The poor are meek because they are poor.

‡‡

If the life companies don't soon offer pension policies, the federal government will. It is in the air. Then it will not be necessary to go to war in order to have a pension in old age.

Don't let your heart "go out to men" sympathetically unless you know they are worthy of it.

‡‡

The best argument for the life insurance policy is that it represents savings not otherwise saved.

‡‡

There are worse "sins" than sinecures, bar sinisters, sincerities, syntax criticisms, Sinbad the sailor, Sinclairs, scintillas, Cinderellas, singularities, cinemagraphs, Cincinnati, cinnamon, etc. By the way, do you know that "sincere" probably came from sine cere meaning without wax, or absolutely pure honey?

‡‡

A department agency may be judged from its cashier department. It either is or is not up todate.

‡‡

The successful life man always takes "life" easy—in the sum of \$5,000 perhaps.

‡‡

It is significant, truly, that young men are seriously asking of the elders, Would you recommend my selection of fire insurance as a career?

‡‡

The wisest man that ever lived can't explain why a dropt collar button always rolls under the bureau.

INSURANCE IN THE HIGHER COURTS

OUR BEST DIGEST OF RECENT DECISIONS

Fire Insurance in Court

California—O'Neill v. Caledonian and American Ins. Co. 135 P. 1121

Policy—Construction—Rider—Writing and Printing

In a case where, by provision of it, the rider on a policy prevails over the suspension clause of the policy, the provision in the written part of the rider that the building is to be used as an "auto repair shop" permits such use of gasoline on the premises as is usual and necessary to the conduct of such a shop; the printed part of the rider being, by provision of Civ. Code, § 1651, as to repugnancy between the written and printed part of contracts, controlled by the written part.

Warranty in Rider—Automobiles on Premises—Gasoline

The presence on the premises, at the time of the fire, of several automobiles, each with gasoline in its tank, did not suspend the policy; the warranty in the rider on the policy, which by provision of Civ. Code, sec. 1654, is to be construed most favorably for insured, that no gasoline other than in the reservoirs of "machines" shall be admitted into the building where "the machine is permanently or temporarily stabled," allowing more than one machine to be kept there.

Suspension—Increase of Risk

The presence prior to the fire of forbidden gasoline on the premises, it having been removed before the fire, did not affect liability for loss; the policy not providing that it should be void for such presence, but only that the insurer should not be liable for loss occurring while the risk was increased by presence of gasoline in excess of a quart, that is suspending the policy during such presence.

Mutual Mistake—Reformation

The mistake of the agents of insurer or of its clerk, in putting on a renewal policy the old form of rider, instead of the new form,

of which latter form insured did not know, was not imputable to insured, so as to render the mistake mutual, and so permit of reformation for the company after a fire.

Admission by Failure to Deny

Plaintiff, in an action on policy, is not required to prove occupancy of the building as specified in the policy; the admission of such fact, by the answer's failure to deny the allegation thereof in the complaint, not being destroyed by the answer's allegation that the building was also occupied for other and forbidden purposes, that being affirmative matter by way of defense, the burden of proving which is on defendant.

The policies were each in the same form. The one issued by the Caledonian Insurance Company covered the stock of goods and household furniture in the building. That issued by the American Insurance Company insured the building itself. O'Neill occupied the front part of the building, exclusively, using it as a carriage repository and for sale of carriages and agricultural implements. There was a partition across the building 40 feet from the rear. In this part, one Haupt carried on a shop for the repair of automobiles, using as much space as he needed for that purpose. The remainder of the space in the rear was used by O'Neill for storage of part of his goods and for other purposes connected with his business. He kept an automobile there while it was not in use in the business.

The policies are in the form prescribed by the State law. Stats. 1909, p. 404. The suspension clause is a part thereof. By its terms the slip, or "rider," as it is called, prevails over the suspension clause, so far as they are inconsistent. The riders were made upon printed forms, each of the same tenor, prepared by the respective companies. By the provisions of Section 1651 of the Civil Code the written portions of the rider prevail over the printed parts thereof, and, if the two are repugnant, the written

portions must control. Unquestionably, the language of the warranty printed in the rider would allow more than a quart of gasoline to be carried into and kept in the building, provided it was brought there in the reservoir of a machine and was kept in said reservoir while there. The main question, upon the evidence, is whether or not the provision written in the rider allowing the building to be used as an "auto repair shop" allows a still further latitude in the use and keeping of gasoline. If it does, it will prevail to that extent, both over the warranty in the rider and over the suspension clause in the body of the policy.

In relation to this question, evidence was given showing the manner in which the fire which caused the loss was started and the necessity for the use of gasoline in an auto repair shop. An automobile with a leaking gasoline reservoir was brought into the shop by the owner for the purpose of having the leak repaired. It then contained nearly twenty gallons of gasoline. Haupt emptied this into four 5-gallon cans, placed on the floor of the building. He then repaired the leak and was in the act of pouring gasoline from one of the cans into the repaired reservoir to see if the leak was closed, when the gasoline ignited and started the fire that caused the loss. There was also evidence to the effect that it was necessary and customary to keep gasoline in automobile repair shops for use in cleaning parts of the machines, that more than a gallon a day would sometimes be required for that purpose, and that it was used in pans or open cans. Haupt had in the shop a fifty-gallon tank in which he sometimes had as much as twenty gallons of gasoline to be ready for such use when required.

Upon this proof the plaintiff contends that, as the statement in the rider attached to the policies declares that the premises were to be occupied as an "auto repair shop," it must be presumed that the company undertook to insure against all risks incident to the conduct of that business when carried on in the usual manner. We think the contention is sound. Of the many

cases cited in support of the proposition, *Yoch v. Home M. Ins. Co.*, 111 Cal. 503, 44 Pac. 189, 34 L. R. A. 857, is typical and substantially parallel to the case at bar. The policy there involved contained a printed clause declaring that the policy should be void if gasoline was kept on the premises, "any usage or custom of trade to the contrary notwithstanding." The property insured was a frame building and a stock of merchandise therein, which the policy described as "such as is usually kept in country stores;" the description being written in the printed form. Gasoline was kept in the building as a part of the stock in trade at the time it was burned. Proof was made that gasoline was usually kept for sale in country stores. The court held that upon this proof it must be presumed that the company intended to insure the gasoline so kept in stock and that it was not a violation of the policy to keep it in the building as an article of merchandise. In the case at bar, the rider provided that the building was to be used as an "auto repair shop." It follows that the company must be presumed to have intended to insure the property against all ordinary risks attending an auto repair shop carried on in the customary manner. It required no proof to show that, when the reservoir of a machine leaked and was brought into the shop for repair while the reservoir was full, it would be necessary first to empty it of gasoline, and that a good workman, after making the repairs, would put in some gasoline to test it. It would also be necessary, in the usual course of business, to replace the gasoline in the reservoir after the leak was repaired. The company must be presumed to have intended that these usual and necessary operations of the business should be allowed. Therefore, such use of gasoline did not violate the policies.

It further appears that at the time of the fire there were five other automobiles in the rear portion of the building, one belonging to O'Neill, the assured, each of which contained more than one quart of gasoline in its reservoir. This, it is claimed, was forbidden by the policy. We

think that this claim cannot be maintained, in view of the provisions of the warranty clause inserted in the rider. It forbids the admission into the building of any gasoline, other than that contained in the tanks of machines "permanently or temporarily stabled" therein. It is no part of the business of an automobile repair shop to permanently stable automobiles in the building in which it is carried on, or to stable any automobile temporarily therein, except such as are brought there to be repaired. As the warranty was drawn by the company, it is to be construed most favorably for the assured. Civil Code, section 1654. Provisions in an insurance policy are always construed so as to prevent a forfeiture, if the language will reasonably permit such a construction. *Arnold v. American Ins. Co.*, 148 Cal. 666, 84 Pac. 182, 25 L. R. A. (N. S.) 6. Therefore, as the language of the warranty plainly implies that automobiles with gasoline in their tanks were to be stabled in the building, although not brought in for repair, it must be construed to permit such storage. The word "machines" is in the plural, and the number of machines allowed to be kept therein is therefore not limited. The presence of these automobiles in the building did not suspend the policy.

It was shown that at divers times prior to the fire considerable quantities of gasoline had been kept in the building in addition to that in tanks of machines and that kept for use in repair work. The evidence however, showed that there was none of it in the building when the fire occurred. The policy does not say that it shall become void if a forbidden quantity of gasoline for other uses should be allowed in the building, but only that it would be suspended while such forbidden gasoline is present. The numerous cases cited by appellant involving policies which declare that such a breach shall make the policy void and holding that it will have that effect, although the forbidden material is not kept in the building at the very time of the fire, are inapplicable here. As soon as the gasoline was removed from the building, the policy, which had been sus-

pending during its presence there, immediately became effective and the company became liable for all losses occurring after such removal.

Colorado—*German - American Ins. Co., v. Messenger*, 136 P. R. 479

Construction of Contract—Property Covered

In an action on a policy on the stock of a farm implement business, including that in the building and additions adjoining, and that "in yard and on platforms in rear and alley adjoining" the building, it appeared that insured had no yard room immediately adjoining his building or anywhere except a vacant lot diagonally across the street, and that he offered to go over with the insurer's agent and look at the goods there, but the agent said he knew what was there, for which reason they did not go. Held, that a grain separator standing on the vacant lot was included in the policy.

Fire Legal Brevities

Where an assured was a successful business woman fully able to comprehend and protect her interests, and there was nothing to prevent her from reading the policy, she was bound to take notice of, and was not excused because she omitted to acquaint herself with, its provisions, and it would be presumed that she was so acquainted.—143 N. Y. S. 107.

Where the owner of a dwelling house covered by a policy of insurance retained such policy under an agreement between himself and a purchaser, his rights thereunder could not be changed to his harm by the purchaser's attempt to get insurance upon his interest without the owner's knowledge.—*Smith v. American Ins. Co.*, 143 N. W. 54.

To constitute a binding contract of insurance, there must be a meeting of the minds of parties with authority to contract as to the premises and the risk, the amount insured, the term of insurance, and the amount of the premium.

Where an agent having limited authority to receive applications and forward them for acceptance or rejection gave an applicant a receipt, providing that the application

and premium should be returned if the policy were not issued, and two days thereafter, while the company was investigating the risk, the property burned, whereupon the application was rejected and return of premium tendered, held that there was no contract of insurance.—*Shawnee Mut. Fire Ins. Co. v. McClure*, 135 P. 1150.

Law of 1908, providing for payment of insurance within sixty days subject to a penalty in case of default, did not apply to fire insurance policies issued before it became operative; but, if applied to policies issued before it became operative, it would be unconstitutional.—*Central Glass Co. v. Hamburg-Bremen Fire Ins. Co.*, 63 S. 236.

Where policy was issued to indemnify a railroad company on all liability as a common carrier of cotton in bales in transit in cars, or in or on depots, or platforms, on line of assured's road, the policy covered cotton which was placed on the ground but was intended to be immediately shipped.

Held to cover a loss of cotton for which no bill of lading was issued until it was actually burning, though the policy provided that the liability should begin at the time the bill of lading was issued and when delivered.—*Bennettsville & C. R. Co. v. Glens Falls Ins. Co.*, 79 S. E. 717.

In an action on a policy prohibiting additional insurance, an instruction that, if the insurer's agent knew of the additional insurance before the fire, the jury should find whether he "consented to such insurance and waived" the breach of the contract, held, not erroneous; the use of "and," instead of "or," not operating to tell the jury that they must find both consent and waiver.—*Coppoletti v. Citizens' Ins. Co. of Missouri*, 143 N. W. 787.

A provision in a policy in accordance with Code Supp. 1907 that a fire policy shall be subject to cancellation by the insurer on five days' notice, held, waived where insured's agent, on receiving notice of cancellation, immediately obtained a substituted policy in another company.

Where plaintiff arranged with an insurance agent to re-insure on the expiration

or cancellation of policies, a delivery of a new policy, obtained through another agency on cancellation of an existing policy, to such agent constituted a delivery to plaintiff.—*Warren v. Franklin Fire Ins. Co.*, 143 N. W. 554.

Where the procurement of additional insurance, unless consented to, ipso facto avoids a policy, the mere failure of the insurer to cancel such policy after knowledge of the additional insurance will not constitute an election to continue the policy in force.—*Coppoletti v. Citizens' Ins. Co. of Missouri*, 143 N. W. 787.

Life Legal Brevities

Every fact which is untruly stated or wrongfully suppressed in an application for insurance must be regarded as material, if knowledge or ignorance thereof would reasonably influence the underwriter in estimating the character of the risk, or in fixing the premium.—*Gardner v. North State Mut. Life Ins. Co.*, 79 S. E. 806.

A binding slip issued on an application for insurance is a mere written memorandum of the most important terms of a preliminary contract of insurance, intended to give temporary protection pending investigation of the risk, and subject to all the conditions of the contemplated policy, even though it may never issue.—*Id.*

Where a wife took out a policy on her husband's life payable to her if she outlived him, otherwise to his heirs at law, and she having died first, he married another, the latter was entitled to take as her husband's heir the same proportion of the proceeds that she would be entitled to receive in her husband's personal property had he died intestate, under code, section 3313.—*Thompson v. Northwestern Mut. Life Ins. Co.*, 143 N. W. 518.

Where a note for premium was given as part of the application, and the insurance was not issued because the maker refused to present himself for medical examination, the note was not subject to the defense of want of consideration, though the binding receipt was conditional on the maker's taking and passing a medical examination

before the policy was issued. — 143 N. W. 197.

In determining whether a policy has been avoided for misrepresentations, a mere temporary indisposition is not an illness, and merely calling on or receiving a call from a doctor to relieve such an indisposition is not an attendance or consultation by a physician; "illness" means an ailment that seriously affects the general soundness and healthfulness of the system. — Prudential Ins. Co. of America v. Sellers, 102 N. E. 804.

Where an applicant for a life insurance policy purchased stock in the company at the same time at a special price, but the transactions were entirely separate, the notes given in payment for the policy and the stock are not rendered void by Rem. & Bal. Code, §§ 6141, 6142, 6143, prohibiting an insurance company from discriminating in favor of individuals who are insuredants of the same class. — First Nat. Life Assur. Society of America v. Farquhar, 135 P. 619.

Under Civ. Code Prac. providing for the restoration of property upon the granting of a divorce, a divorced wife cannot claim the proceeds of an insurance policy, paid up at the time of the divorce, in which she was named as beneficiary. — 159 S. W. 622.

The proceeds of a paid-up life insurance policy payable to the wife of the insured, or to the children if she should die before he did, is payable to his estate and not to the children, where the rights of the wife were lost by reason of a divorce. — Id.

Mere failure to pay a note given for an insurance premium will not forfeit the policy, where it does not provide for such forfeiture, though the note stipulates that nonpayment at maturity will avoid the policy. — Columbian Nat. Life Ins. Co. v. Mulkey, 79 S. E. 482.

A husband and wife have each a reciprocal insurable interest in the life of the other. — Marquet v. Aetna Life Ins. Co., 159 S. W. 733.

A subinsurance agent's contract construed and held to entitle him to commissions on portions of first premiums on policies obtained by him, paid to the insurance com-

pany after such agent left defendant's employ; there being no claim thereto by defendant's superintendent. — Hutcheon v. West Coast Life Ins. Co., 135 P. 179.

Under policy providing for deduction of indebtedness and further providing for paid-up insurance on default, there being then no existing indebtedness "as aforesaid," held that an indebtedness did not defeat the right to paid-up insurance, but was merely to be deducted from the amount payable. — 159 S. W. 758.

Where a policy was antedated, and a lien loan certificate for the reserve which would have been accumulated on the policy during the antedated period given in settlement of premiums which would have accrued during that time, and only one premium was paid thereafter, the nonforfeiture statute (Rev. St. 1909 § 6946) was inapplicable. — Boulware v. Missouri State Life Ins. Co., 159 S. W. 761.

A temporary indisposition at the time of application, which states that the insured is in good health, will not avoid the policy. Mutual Life Ins. Co. of New York v. Morgan, 135 P. 279.

A statement in an application, which is not a part of the policy, that the policy shall not take effect unless delivered while the applicant is in good health, will not avoid a policy, where the insured was temporarily indisposed when the policy was delivered. — Id.

Failure of insured to inform the company when a policy was delivered that since his application he had been confined in a sanitarium was not a fraud on the company, where neither the application nor the policy provided that it should take effect only in case insured was in sound health at the time of its delivery. — New York Life Ins. Co. v. Moats, 207 F. 481.

Where a policy, by its express terms, related back to the time of the application, and did not require that the insured be in sound health at the time of delivery, the company assumed the risk of a change in the health of insured between the time of the application and the delivery of the policy. — Id.

Under the provisions of a policy requiring a full report of the medical examiner as to the health of an applicant, the risk was accepted mainly upon such examination, and not upon the answers given by the applicant to the medical examiner.—*Id.*

Answers to questions concerning previous diseases of an applicant for insurance held representations, and not warranties, and nothing more being required of him than that he answer in good faith.—*Id.*

Accident Legal Brevities

A provision for indemnity for total disability that prevents the assured from performing any and every kind of duty pertaining to his occupation requires only such disability as prevents the performance of any substantial part of his duties.

A delay of 10 months in giving an accident insurance company notice of an accident is unreasonable per se, under a clause of the policy requiring notice to be given as soon as may be reasonably possible.—*Hefner v. Fidelity & Casualty Co. of New York*, 160 S. W. 330.

The fact that physicians who attended a person accidentally injured attributed his condition to disease, and not to the accident, does not excuse his failure to give the company notice of the accident as soon as reasonably possible, as required by the policy.—*Id.*

Where plaintiff, a street car passenger, had his little finger jerked off by catching a finger ring in a small screw which projected about one-sixteenth of an inch from the bottom of the handhold, at a point thirty-six inches from the bottom step, held, that the injury was an unavoidable accident, for which the street car company was not responsible.—*Pendergrast v. Durham Traction Co.*, 79 S. E. 984.

A policy limiting liability for hernia after the policy has been in force for sixty days held not a limitation with reference to hernia occurring before the policy had been in force for that length of time, in which case the insurer was liable for full indemnity.—88 A. 532.

Under policy insuring against disability, preventing performance of every duty per-

taining to any business or occupation, insurer held liable if insured was disabled from transacting any kind of business pertaining to his occupation.—*National Life & Accident Ins. Co. v. O'Brien's Ex'x*, 159 S. W. 1134.

Liability of insurer for stipulated indemnity for seventy-eight weeks' disability held not defeated by a provision limiting liability to four weeks' indemnity in case of accident or illness caused by Bright's disease, where it did not appear that insured had Bright's disease for more than four weeks prior to his death.—*Id.*

Where an employer's liability insurance corporation took charge of a case against an employer, but six weeks before trial notified the employer that the policy did not cover the risk, and the employer consented to its conducting the litigation with this understanding, the employers were estopped from asserting that the insurer had waived its right to deny liability.—*Mann v. Employers' Liability Assur. Corp.*, 143 N. W. 794.

When Killed by a Burglar

In an action on an accident policy, a showing that deceased was killed in an affray with a burglar will establish the fact of accidental death and entitle the beneficiary to recover, unless death from such cause is exempted by the policy.—*Allen v. Travelers' Protective Ass'n of America*, 143 N. W. 574.

Marine—The *Jeanie*, on Calvert Island rocks, has been abandoned to the underwriters. The cargo is reported a total loss.

A strong evidence of the business depression is the recent extraordinary increase in the number of young men offering themselves at the army recruiting stations. November applications were 70 percent more than ever before in November in time of peace.

—Fire—On page 87 we print one of our Coast Review Posterettes, which may serve for a card or an advertisement.

INSURANCE OF ALL KINDS

New Offices of the Commercial Union

The third and fourth floors of 558 Sacramento-street now house the country departments of the Commercial Union and the Palatine, which operate in this field under the management of E. T. Niebling. The two floors are connected by two stairways and by a private exchange telephone. Offices of the manager and the assistant manager and the special agents face Sacramento-street. The vaults in this building are exceptionally large and strong. Being on the corner of Leidesdorff street, the light is excellent. A new heating plant is being installed in the basement. The city department is at 427 California street, in the Insurance Exchange Building.

Smallpox and Its Prevention

The Metropolitan Life issues a timely brochure on smallpox, some eight pages distributed for the use of its industrial policyholders. There are others who should read it. Twenty or more years ago there was a San Francisco physician who led a society of anti-vaccinationists. He contracted a virulent form of the disease and, being unvaccinated, died in a few hours.

On page 8 we find:

"In order to be completely protected against smallpox, every person should be vaccinated once during infancy, again at about the age of 12, and during every epidemic."

Naphtha Soaps Make Garments More Inflammable.—Garments washed with naphtha soaps and powders, we are told, increase their inflammability while drying, and also while being boiled. In the latter case the water seems charged with naphtha, and if it boils over it may ignite. Clothes thus washed and hung over or near a stove to dry may easily catch fire. When on fire they burn with fierce rapidity, and if, as may easily happen, the kitchen or laundry is temporarily without any occupant to extinguish the incipient blaze, the house catches fire and the insurer pays a loss.

New Offices of the Law Union & Rock

The greater part of the California street frontage of the mezzanine floor of the Insurance Exchange building has been taken and is now occupied by the Pacific department of the Law Union & Rock. On January 1 the Union Assurance joins this office. The light in this office certainly leaves nothing to be desired, for both the front and the back are made of plate glass. The front (seven windows) overlooks the street; the back overlooks the court. You take the elevator or ascend the marble stairway, as you please. Offices in this building, by the way, are provided with steel vaults.

Marine—The organization of the light-house service in American waters has been completed. Aids to navigation have been increased by 591 to 13,434, of these 566 are fog signals. There are 46,828 statute miles of coast protected. For Alaska, 15 new acetylene lights have been added.

The Field Men's Edition of the Argus of Chicago, a sort of farewell freewill offering, is a dandy. The copy of the first page of the Argus of May, 1871, Vol. 1, No. 1, with Geo. I. Yeager, editor and proprietor, specially interests us because the Coast Review's first issue appeared just four months later. The Argus was burnt out in October. It issued an extra on October 16, headed "the Great Conflagration." This special number must have been quite costly, for there are nearly 400 field men pictured on heavy calendered paper, besides 27 company buildings. We'll wager there'll be copies of this edition well preserved in many libraries a hundred years from now.

The U. S. supreme court, in the Deer Lodge case, again ruled that insurance is not commerce. Justice McKenna wrote the opinion. Justices Hughes and Vandevanter dissented.

The Home of New York may also organize a casualty company.

**Program of the Seventh Annual Meeting
of the Association of Life Insurance
Presidents**

Meeting called to order by George E. Ide, chairman, president Home Life Insurance Co.

"Group Insurance, Its Aims and Its Field," by W. A. Day, president Equitable Life Assurance Society.

"Conservation of Policy Proceeds," by S. C. Dunham, president Travelers Ins. Co.

"Life Insurance as an Aid to Business," by George I. Cochran, president Pacific Mutual Life Insurance Co.

"Ultimate Effect of an Unrestricted Right to Borrow on Life Insurance Policies," by Arthur E. Childs, president Columbian National Life Insurance Co.

"Disability Benefits — Insuring Insurance," by Henry Moir, actuary Home Life Insurance Co.

"Federal Supervision and What it Would Mean to Policyholders," by Burton Mansfield, insurance commissioner of Connecticut.

Informal Remarks, by William H. Taft, ex-president of the United States.

"Conservation of Lives—Essential Health Reforms Needed by the Average Community," by Dr. Rupert Blue, surgeon-general U. S. Public Health Service.

"The Doctor's Dream," by Dr. Victor C. Vaughan, dean department of medicine and surgery, University of Michigan, and president American Medical Association.

Report of Health Committee of Association of Life Insurance Presidents, by F. W. Jenkins, chairman, president Security Mutual Life Insurance Co.

"The Public Health Movement—To-day and To-morrow," by William T. Sedgwick, Sc.D., professor biology and public health, Massachusetts Institute of Technology.

(a) "Between Life Insurance and the State," by James R. Young, president National Convention of Insurance Commissioners.

(b) "Between Life Insurance Companies," by Henry Abels, president American Life Convention.

(c) "Between Agents and Policyholders,"

by Ernest J. Clark, president National Association of Life Underwriters.

State Insurance Laws of Doubtful Constitutionality

Washington, Dec. 3. — Laws widely adopted since 1909 by various states to regulate fire insurance rates were denounced as unconstitutional today in a printed brief filed with the United States supreme court by John G. Johnson of Philadelphia, and associate counsel.

The brief was filed on behalf of the German Alliance Insurance Company, which is seeking particularly to have court declare unconstitutional the Kansas fire insurance rate law.

A similar attack will be made shortly before the court on the Kentucky fire insurance rate law. A number of other state laws, it is said, will stand or fall by decisions in these cases.

It was insisted by counsel that a state has no power to fix rates charged to the public by those engaged in a private business.

It was charged that fire insurance is a private insurance, as shown by its right to refuse to take undesirable risks. The insurance companies contended that if the states may fix the price of insurance, they may fix the price of meat, clothes and doctor services. They pointed to decisions in Illinois and Pennsylvania where the courts denied the right of the state to fix the price of theater tickets.

Taking up another phase of the controversy, Mr. Johnson and his associates contended that the law cannot be supported as a valid exercise of the police powers to protect the public health, life, liberty or morality.

James S. Evans, for many years counter-man in the office of the Union Assurance Society (Catton Bell & Co.) will join the Yorkshire on the first of January, 1914, in a similar capacity.

The receiver of the Walla Walla Fire has just paid a 40 percent dividend.

Secretary Schaefer of the Westchester has been visiting this Coast.

**Memorandum for the Guidance of
Insurance Departments and Fire and
Marine Insurance Companies**

The report of the committee on blanks dated May 15, 1913, and adopted by the executive committee of the National Convention of Insurance Commissioners, covered all the amendments made to the 1912 edition of the Convention statement blanks. In paragraph 2 of that report the following recommendation was made:

Page 3, line 5. Amend so as to read: "Commissions or brokerage (including \$ on risks of other companies reinsured) less \$ reinsurance commissions."

Reason.—The large number of reinsurance transactions reported in the statements of the various companies makes the foregoing separation of this item advisable in order that the commissions paid to agents may be distinguished from the commissions on reinsurance transactions.

A number of companies have stated that under their present system of accounting it is impossible to furnish all the information asked for in respect to reinsurance commissions.

At a meeting of the executive committee of the National Convention of Insurance Commissioners held at New York city on November 12th the undersigned sub-committee of the committee on blanks was authorized to suspend or modify this requirement. In accordance with the authority thus conferred this committee has modified page 3, line 5 to read as follows: "commissions or brokerage," thus restoring the line to the form in which it appeared prior to the amendment of 1913.

Some question has been raised as to the necessity for line 21 on page 5 reading "reinsurance and return premiums due other companies." Atten-

tion is called to the following recommendation of the committee on blanks contained in paragraph 1 of its report:

Page 2, line 6. Eliminate the words "gross amount paid for" and insert after the word "reinsurance" the word "premiums."

Reason.—Under the method contemplated by the blank, the items of reinsurance and return premiums to be deducted at this point should be on a written basis as distinguished from a cash basis.

It is the opinion of the committee that premiums should be reported by the companies on the written basis. If these returns are made consistently on that basis on page 2 of the annual statement, there will be no necessity for making a return on page 5 line 21. Henry D. Appleton, chairman, New York; L. G. Hodgkins, Massachusetts, and H. Pierson Hammond, Connecticut.

**Arizona Corporation Commission Cir-
cular**

Superintendent of Insurance Bridges is out with a circular-letter favoring cooperation instead of competition in liability insurance. It is not the corporations that do things—it is the managers who commit the crimes or render the benefits. The department will cooperate with the managers in preventing cut-throat competition and making uniform rates. Mr. Bridges believes that if the liability managers do not solve the rate problem soon, there will be government regulation.

Business failures this year exceed those of the panic year 1907. Sales of stocks and bonds have materially decreased. Quotations average the lowest for the longest period, and insurance companies are urged to take advantage of the law and report their securities at the average selling value.

Had Paid 70 Consecutive Life Premiums

The oldest policy in America recently became a claim. The insured, who died aged 98, had paid seventy consecutive premiums to the Mutual Life Insurance Company. The original insurance was \$1,500 life plan, at age 28, with \$33.60 annual premiums. The dividend additions, including cash post-mortem dividend amounted to \$4,262, making the total paid by the Mutual Life, \$5,762, which is a return over cost, realized by the heirs, of \$3,410. On a policy taken out two years later, the insured paid sixty-seven annual premiums. The return over cost, realized by the heirs, was \$3,218. For the two policies the company received \$5,119 premiums from this Virginia policyholder and paid to his heirs \$11,748. This was \$2.30 for every dollar paid in premiums. The insured also took out a policy at age 58 for \$3,000, for which the heirs were paid \$6,663.

Zinc

The wordbook says "zinc," also spelt zink, is probably allied to the German "zinn," tin.

Zinc is a mineral defined as a metal of a brilliant white color, with a shade of blue, and appearing as if composed of plates adhering together; spelter. It is not brittle but is less malleable than copper, lead or tin. When heated, however, it is malleable and may be rolled into plates.

Zinc fuses at 773 degrees F. A small piece of this metal thrown into a fire in a stove will throw off a vapor which will burn out a dirty chimney.

The writer recently had a small fire loss and was greatly surprised to find half the protecting zinc had melted,

while the redwood panels had only charred.

The ring of zink will sound round the world. We refer to printerzink.

It is probably hopeless to eliminate from the popular imagination the idea that because fire insurance companies show large surpluses of assets over liabilities they have been, and are, charging rates of premium for insurance in excess of that which would constitute a fair compensation for the service rendered and a fair profit upon capital invested. A solution of this part of the problem may be found in a law compelling an automatic adjustment of the rate of premium for insurance to the losses and reasonable expenses of the companies. Such a law would unquestionably appeal to all fair minded men, whatever might be their view as to excessive profits or inadequate returns secured by the insurance companies in the past.—David Rumsey, of the Continental.

The world now needs, not a great statesman, nor a great orator, or lawyer or doctor, but a great teacher, able to discover and impart the great verities of life—the great realities.

In the past year selling values of standard American railway bonds have declined all the way from 4 to 10 per cent.

Should Be Grab Insurance. Group insurance is misnamed.

A \$115,000,000 policy will cover the Canadian Pacific Railway property.

In Canada walking on a railway track is unlawful. An engineer or conductor who may be found intoxicated is liable to imprisonment for 10 years.

FIRE AND MARINE INSURANCE

The Board is Strong Now

Present underwriting conditions appear to make the Board of Fire Underwriters of the Pacific a little stronger than ever before. Certainly there is no excuse for any faint-hearted enforcement of its rules. Any company ready to be expelled is ready to commit suicide, as far as its Coast business is concerned.

If Board rules are being broken, now is the time to repeal them or enforce them. There will never be a better time.

Any enforcement will not "break the Board," because, as everybody knows, there will probably never be another organization like it.

Application of any needed discipline hereafter will have a wholesome effect untempered by fears of rupture or retaliation.

Fires in Basements Are Hard to Handle

Some years ago the Coast Review printed an article favoring the penalization of basements because so many disastrous fires start in them. Now we read that the mayor of St. Paul recommends an ordinance requiring the installation of sprinkler plants in all non-fireproof buildings more than two stories high, dwellings excepted. Nearly all of St. Paul's bad fires in five years started in basements where the firemen had difficulty in finding and reaching the center of the trouble. Fires starting in the floors above were easily handled.

Marine. — The largest oil-carrier in the world was recently launched in England. The ship is 550 feet long and carries 15,000 tons of oil in bulk.

Marine Underwriters Heavily Hit By Storm on Great Lakes

It appears that marine underwriters will sustain heavy losses as a result of the storm on the Great Lakes at the week end. The following estimate of losses or ships sunk or damaged emanates from Toronto:

	Cost	Insurance
Value of cargoes	\$1,000,000	
Value of ships		2,500,000
The Wexford	\$107,000	\$100,000
The Turret Chief	130,000	125,000
The L. C. Waldo	250,000	200,000
The Charles S. Price	350,000	350,000
The Northern Queen	175,000	150,000
The James Carruthers	400,000	275,000
The Ed. F. Holmes	350,000	300,000
The G. J. Grammer	300,000	300,000
The A. E. McKinstry	150,000	150,000
The Acadian	170,000	170,000
The H. B. Hawgood	325,000	300,000
The Regina	160,000	160,000
The Howard M. Hanna	350,000	300,000
The Schooner Sophie	8,000	6,000
The Matthew Andrews	375,000	325,000
U. S. Lightship No. 82	100,000	80,000
Tug Martin	15,000	8,000
The Nottingham	250,000	200,000
The John A. McGran	225,000	225,000
The Leafield	200,000	175,000
The Argus	350,000	325,000
Steambarge Butters	100,000	

Eighty percent of the insurance is divided between English and American marine underwriters.—The Chronicle, Montreal.

The Fireman's Fund took over the business of the Bankers Fire of Phoenix and the Phoenix Fire Underwriters, which had headquarters in Los Angeles.

Yes, a company is judged by the special agent it keeps, just as the latter judges the local agent by the company he keeps.

**Remarks by District Secretary W. S. DuVal
of the Board of Underwriters on the
Fire Insurance Rate**

**At the 3d Annual Session of the National Forest
Supervisors for California, 1st National Bank
Bldg., S. F.**

Mr. Dubois has asked me to say a few words about the insurance rate and more especially on how it is arrived at. Just what connection this may have with forestry or the preservation and utilization of our forest domain is not entirely clear to me, but he has promised to draw some deductions provided, I think, I can indicate the relation of the fire insurance rate or price per \$100 to the cost of the article or protection provided. At first blush this would seem to be a very simple matter. Given the average fire loss, all the insurance company has to do is to collect from its customers enough money to pay each individual loss with a margin of expense for transacting the business. Insurance from fire is only possible by collecting enough from all the individuals of a contributing group to pay the loss by fire of any member. But the practical part presents many difficulties and brings into operation many and diverse situations and conditions and from a broad standpoint involves every known factor in human life, experience and investigation. For the proper transaction of the business reflected in the insurance rate, every known industry, every branch of science, every condition affecting the construction, location, occupancy and surroundings of the property insured is a factor in the formula for fixing the charge for each \$100 of insurance sold or placed. It has been found valuable to maintain laboratories and testing stations for the examination of materials and devices that enter into all classes of construction and for experiments and trial of all systems and inventions that look toward protection of buildings and property from fire. Trained bodies of men are employed in every branch of science and large numbers used in the inspection of risks taken whose expert knowledge is open to all interested. The expense of all this is, of course, included in the insurance rate, but the ratio of benefit

to expense is largely on the right side and pays both the insurer in lower price for his insurance and the insurance company in a lower ratio of fire loss to premiums collected. However, it is not my aim nor was I asked to give a history of fire insurance; so to make a short cut to the insurance rate I will say that briefly this depends upon:

1st—Climatic conditions.

2d—Local conditions other than climatic.

3d—Character of building under consideration.

4th—Occupancy of same.

Under climatic conditions probably the most important is the general hygrometric condition prevailing. We find that with an atmosphere as dry and siccative as that prevailing in the San Joaquin valley, for instance, fires spread with much greater rapidity than in a moister climate, such as that bordering on large bodies of water or where the rainfall is more or less continuous. Prevailing winds have their value for better or worse and the city with its warehouse district laid out along the right of way of a railroad running at right angle to the prevailing winds has an asset which figures in its insurance rate. The local conditions in any city or town comprise not only the general character of its frame and brick buildings but their arrangement in relation to conflagration hazard. The existence of laws to regulate proper construction, the proper policing of the city, the paving of the streets, the contour of the ground, the use of oil and electricity under proper regulations, the maintenance of a proper force for fire protection with apparatus fitted to the needs of the place and a water supply of more or less efficiency. Both the fire department and water supplies are standardized under a schedule which makes for the highest efficiency and penalizes departure from the best that can be devised. Having arranged our ground, we take the buildings as we find them, comparing each with a model—the nearer the approach to standard construction, the lower the rate by reason of the absence of the penalizing charge. With the building is considered its immediate surroundings, the danger of

damage from an exposure fire depending not only on the construction of the building itself but the nature of the exposing building, if of brick, with more or less openings toward the risk under consideration or of frame, and if high or low, large or small, and with hazardous or fairly safe occupancies. In the construction of the building all departures from a model building are charged in the rate, such as vertical openings through floors without traps or automatic covers or not in fireproof shafts; excessive roof space, skylight area, ground floor area, unprotected communications with other buildings, bay windows, wood awnings; in fact the model building has been carefully analyzed and the nearest approach to model construction is rewarded by the lowest charge in the rate. When you build you fix your own price, other things being equal. For the occupancy of the building the records have been drawn upon for all kinds of varieties of tenants whose necessities give a greater or less degree of danger from fire. For each of these, whether for manufacturing or storage or sale a figure is fixed which aims to give a consistent relation, one with the other and each with an established standard. The man who sells knows that his figure is less than the manufacturer with more or less hands at some mechanical trade and with power for his machines. The furniture store with no upholstering or setting up is not half as bad in occupancy as the one with both these hazards, and either is worse, by far from our experience tables than a shoe or dry goods store.

The occupancy may be desirable from one standpoint and not so much so from another. For instance, a wholesale drug stock, by reason of its probability in the starting of fires, is bad in two ways, as fires are also difficult of extinguishment and the same is true of paint and oil stocks. Wall paper stocks, say in connection with rugs and carpets, are good from the small liability to start fires but bad from the susceptibility of such stocks to damage by smoke, heat and water. This brings me to a point beyond the ignitibility of the contents of a building; that is, its inherent disposition toward fires, to the susceptibility of different classes of merchandise to loss by the elements out of hand. The range here is very large and has been collated not only from the experi-

ence of the insurance companies by so-called underwriters, but by conference with the different trades, vocations and businesses themselves. The dealer in wool has been called on for his records of fire losses and his special ideas as to the particular hazard connected with its storage and handling. Cotton and its history are one of the most interesting branches of this inquiry. By tabulating all these experiences we get a figure which we add to the final building rate for the rate of the contents and which gives a comparative susceptibility to damage of each class of merchandise.

The human element in the rate is figured on in what we call "faults of management," and this represents a question of judgment on the part of the inspector. It will be seen that rate making with the use of schedules is flexible in some directions, but preserves a defensible consistency.

The question may be asked: "What do you start from?" It is very evident that here a certain empiricism is involved. Fire insurance cannot have the exact experience tables of the life insurance mathematician; nevertheless the starting point is fair if it is the same for all and does not give an undue or excessive profit beyond the cost of indemnity. Competition, which is the balance wheel of trade, controls this element and works out its own salvation.

In conclusion I offer you a sample of a rate, constructed by means of what we call the brick mercantile schedule, copies of which I offer for your inspection. The "key rate" which is made up by adding to 15 cents the rate, empirical, of a standard building, the charges for departure from "standard" water supply, fire department and city ordinances, in this way getting a city rate, showing city deficiencies, has, as you will note, undergone a continuous reduction. First 42 cents, then 35 cents, then 31 cents following improvements in fire protection in San Francisco. The "key rate" of which all defects as well as occupancy charges are a percentage, is the same as the "city rate," this building being of "A" class construction and subject only to city deficiency charges. The rate is .419 on the \$100 made up of .046 added to key rate for excessive height; .046 added for vertical openings not standard, .024 for unprotected openings north to a poor brick building, .046 same to a brick north and .006 for

occupancy, which indicates that they consider the forestry section a non-hazardous tenant. The allowance for watchman and clock, .059, completes the rate, .419, while 20 cents added to 80 percent of the building rate with watchman allowance makes the charge for Dr. Meinicke's supplies, 50 cents.

This is a part only of the system and if our methods suggest anything of value in the splendid work of forest conservation, we all should be more than pleased.

Survey — First National Bank Building — Sheet 25, Block 78 — 13 stories and basement, Class "A."

	Charges
Key rate . . . . .	.31
Height . . . . .	.046
Three elevators, basement to 12th and one, basement to 13th; metal lath and plaster shaft; wire glass in metal frame, doors plate glass; 1st cut off at basement; open stairway 1st to 13th . . . . .	.046
Openings north, wire glass metal frame over Lick building (poor condition) . . . . .	.024
Exposure brick north . . . . .	.046
Occupancy . . . . .	.006
	478
Watchman and clock checked by men always on premises, less 12½ . . . . .	.059
	419
Contents . . . 37 + 20 = 57	
Watchman and clock	7
	50

Obituary.—Alfred E. Duncan, president of the Franklin Fire of Philadelphia, died Dec. 3, aged 49. In 1890 the deceased was special agent for the Continental at Salt Lake City. In 1906 he was one of the Phoenix of Hartford adjusters at San Francisco. In 1908 he was elected president of the Franklin. In October last he was granted a leave of absence because of illness from a carbuncle.

Oakland, Cal.—In three years fire engines have been increased from 13 to 17; chemical and hose wagons, from 8 to 11; chemicals, from 1 to 2; hose, from 27,750 ft. to 44,700 ft.; men, from 174 to 281; fire alarm boxes, from 170 to 229; low pressure hydrants, from 897 to 1,270; high pressure hydrants, from 36 to 57.

Fire Underwriters Association of the Pacific

Constitution, Article IX. — "The annual meeting shall be held on the first Tuesday and Wednesday after the first Monday in February of each year."

The thirty-eighth annual meeting will be held on February 3rd and 4th, 1914. In conformity with section 5 of the by-laws President T. H. Williams selected the nominating committee, of which Wm. Sexton is chairman. The said committee presents the following names for officers and committees for the ensuing year:

- President, R. C. Medcraft,
- Vice-president, H. P. Blanchard,
- Secretary and treasurer, Calvert Meade,
- Asst. secretary and librarian, J. P. Moore.
- Executive Committee: A. M. Brown, J. W. Gunn, A. Gilliland.

Walla Walla Fire Receiver Pays 40 Percent Dividend

Dorsey M. Hill, receiver of the Walla Walla Fire Ins. Co., has paid a 40 percent dividend to claimants.

He says, in his letter to claimants:

We have at last been able to compromise with the Parkers, with whom we have been lawing for the possession of the assets of the fire insurance company since taking hold as receiver. This compromise is made so that the creditors may receive something on their claims now, rather than go through the federal courts for several years more with the prospect of not receiving any greater sum, even if we are successful in all our litigation, and in view of the fact that there is a grave question as to the validity of the title of the lands on which I have foreclosed, being in the Hollon Parker Company at the time of the giving of the said foreclosed mortgages.

I am not sure whether there will be a further dividend or not, but hope that later there will be a 5 percent or 10 percent dividend in addition, to be distributed to the creditors. This all depends upon the outcome of the suits against myself and against two of the stockholders of the company. If there is a further dividend it will not be necessary to write for same as it will be sent as soon as collected.

Mill Man Sues Lower Columbia Fire Relief Association

Oregon Supreme Court Decision, 135 P. R. 877. Judgment for Plaintiff

Defendant Had Refused to Make Any Assessment to Pay Loss

Suit in equity by E. M. Kimball against the Lower Columbia Fire Relief Association of Oregon and others. From a decree granting the relief prayed for, defendant appeals. Modified, and decree entered for plaintiff.

This is a suit to compel specific performance of a contract of insurance. The Lower Columbia Fire Relief Association is a voluntary co-operative mutual benefit association organized for the purpose and engaged in the business of insuring the property of its members against loss or damage by fire, and the other defendants are its officers and directors, having charge of its business and full authority to act for it. On the 15th of September, 1909, the association issued to plaintiff, who is a member of said association, a contract of insurance, signed by the president and secretary of the association, whereby, in consideration of the sum of \$15 and of the promise of plaintiff to pay his ratable proportion of all assessments made for loss or damage by fire or lightning, the association agreed to insure his flouring mill against loss or damage by fire to the extent of \$2,000 for a period of two years, and also agreed that in case of such injury it would, through the agency of the board of directors, levy an assessment as provided by its constitution and by-laws for the purpose of paying such loss. The insured property was totally destroyed by fire on April 21, 1911, causing plaintiff a loss of \$5,370, which was duly proved and adjusted as required by the certificate of insurance. Thereupon, as plaintiff had complied with all the conditions of his policy, he demanded that the officers of the association proceed to levy and collect from the members of the association the assessment necessary to pay his loss, as required by the by-laws of the association

and by the said contract of insurance, which plaintiff avers they neglect and refuse to do. Plaintiff also alleges that the association has no reserve fund nor any other means of paying said loss except by such assessments, and that he has no plain, speedy and adequate remedy at law. There was a prayer for judgment against the association for \$2,000, with interest from June 21, 1911, and that the directors be required to specifically perform their contract by levying an assessment sufficient to pay the said sum and for further equitable relief. The defendants appear generally and demur to the complaint: (1) Because there is a defect of parties defendant; and (2) because the complaint does not state facts sufficient to constitute a cause of suit. The demurrer was overruled, and, the defendant electing not to plead further, the plaintiff had a decree as prayed for. Defendant appeals.

In the absence of an enabling statute, a voluntary association cannot be sued by its association name. It has no legal existence, and the persons composing it must be joined individually. *St. Paul Typothetæ v. St. Paul Bookbinders Union*, 94 Minn. 351, 102 N. W. 725, 3 Ann. Cas. 695; *Davison v. Holden*, 55 Conn. 103, 10 Atl. 515, 3 Am. St. Rep. 40; *Robinson v. Robinson*, 10 Me. 240.

This is not a suit or action to recover money but to compel the officers of the association to do an act which their contract required them to do, namely, to levy an assessment for the purpose of collecting money to pay this loss and to apply the money thus collected to that purpose. There is nothing to indicate that the members of the association refuse to or object to paying this claim. If, as alleged in the complaint and admitted by the demurrer, it is a legitimate loss, it is inconceivable that any honest member would object to paying the assessment. As appears from the complaint, there is no obstacle to such payment beyond the mere arbitrary refusal of the officers to make the levy. Under such circumstances it would seem that equity is an appropriate remedy to compel the officers to perform their duty. If, as

contended by council, every one of the 1,200 members must be made parties before a person who has complied with the terms of his policy and paid his premiums can collect for an honest loss, then the whole scheme would be a delusion, but happily such is not the case. There is too much of this attempting to evade insurance upon mere technical objections, and such evasions should receive small consideration from the courts.

The court exceeded its authority in rendering a money decree against the association itself. It should have found that there was due upon the policy the sum of \$2,000 and directed the defendant officials to proceed immediately to levy an assessment as provided by the contract and by-laws of the association and to collect the same, and that the moneys so collected be applied to that purpose.

A decree will be entered in accordance with this opinion, and the plaintiff will recover his costs in this court as well as in the court below. As the association is not in court, no decree will be entered as to it.

Mutual Fire Insurance

The man who goes into a fire mutual really goes into the fire insurance business. He would not buy stock in a regular fire insurance company, even though his liability is limited to the amount of his subscription and the business is regulated by the state insurance departments and along established lines. Yet he is just as much in the fire insurance business as though he were a large holder in a stock company, but with the great difference that his liability is unlimited and his protection inferior. If he is judgment-proof he can afford to take the chances. If he is responsible he cannot.

Very few ordinary mutual concerns succeed. Over 80 percent of those organized in the past thirty years have failed or quit. They flourish while things are going well, but they cannot stand adversity. They can pay a few losses, provided they are not too heavy and come at judicious intervals. But "a run of losses," such as comes sooner or later, is fatal. The members quit or refuse

to pay assessments, the few that remain find the burden intolerable, and then comes the receiver. The mutual policyholder may have thought that he has had troubles enough before, but when the receiver takes hold he finds that troubles have just begun. In some states he can be held to the full amount of his property to meet unpaid claims. If he is solvent he can be held to pay the proportions of the insolvent members in addition to his own. He may have quit, so far as he could, long before the crash came, and yet he can be held, as scores of decisions and judgments have shown, long afterward for losses incurred during his membership.

The favorite claim of the mutuals, and one upon which they depend most for success in deluding members, is that the liability of policyholders is limited to the amount of their premiums or premium notes. This is a false pretense, for whatever may be expressed in the contract, the courts have time and again ruled that mutual fire companies organized under the assessment law, cannot limit the liability of a member. By-laws to the contrary have repeatedly been declared invalid by the courts.—Glens Falls Now and Then.

Missouri.—Some 130 companies "put on their hats and walked out of" Missouri this year. Now the "diminished head" of the state will appoint a commission to revise the laws and recommend changes by the next assembly of the Yahoos at Jefferson City. All right, if the Major premise includes a fire insurance man on the commission.

Ohio agents sued other agents to enjoin them from using renewals purchased from still another agency. Plaintiffs said the renewals were theirs exclusively. The lower court punctured this theory, and the supreme court approved. It is any man's game.

Iowa fire companies have been over-ripe, it seems; and the mutuals furnished some heat and the other-state stock companies furnished the sunshine. Thirteen Iowa fire companies have dropped from the bough of time.

LIFE INSURANCE

"Efficiency" or. New Lessons in Life Insurance Salesmanship

There is a French proverb to this effect: "caçons for those who eat caçons." But this new book begins:

"There is a Hindi proverb which runs: 'The road is paved with leather for the man whose feet are shod.'" This is applied as "Adaptation is the key to facility." The man who has qualified himself for his work will find conditions favorable to success."

"Efficiency" is a book of 78 pages, by Forbes Lindsay, assistant manager of the home office general agency of the Pacific Mutual Life Insurance Company. Some of the chapter leads are: "The Essential Attitude." "Securing and Approaching Prospects." "Presenting the Policy." "Preparing the Canvass." "Closing."

The author gives a new definition of term insurance. He distinguishes term insurance as the payment of a certain amount at the death of the insured. Pure endowment is defined as the payment at the end of a specified period provided the insured is living.

The whole life contract is described as simply term insurance for the entire life expectancy. An endowment policy is a direct combination of term insurance and pure endowment.

Here is a good morsel:

"In life insurance, three months in the factory—the actuary's department—would ruin the best salesman. Your prospect doesn't want to learn how we manufacture our policies. He is interested in hearing about the working parts and the service he may derive from them."

The author favors the employment of as little printed matter as need be in canvassing. A verbal statement affords opportunity for the strongest possible impression. If the canvass is made without reference to any document or memorandum, you create the impression of being thoroughly posted in your business. Every bit of practical

knowledge that is available to you should be absorbed and made part of your permanent equipment. Policy forms, pamphlets, useful articles in insurance journals and the rest should be digested and held ready for application.

This is certainly a book worth while. Any solicitor will profit by it; and the new man can shape himself into good form at once by its aid.

New World Life of Spokane Thrust into Hot Water by the Washington Official Superintendent of the Baths

Insurance Commissioner Fishback of Washington state—familiarly known by his friends under another marine name—has returned from Spokane to Olympia exhausted after an examination of the New World Life.

He criticises the president for taking commissions on insurance placed by him while under salary. President Cadigan, a Knightly gentleman, has agreed to refund these fat commissions.

Commissioner Fishback also criticises the company's roll—the salary roll—which he says is too large for a self-respecting young company with a reputation for morality and good conduct to sustain.

Other officers have been receiving commissions on business written, besides their turkey and celeries. The state insurance commissioner objects.

President Cadigan is castigatigaded a cardigan red, because he has secured thousands of proxies from policyholders at the expense of the latter. The commissioner insists that these proxies be voted by a committee representing the larger stockholders. As at present power, four officers might indefinitely control the company in their personal interests.

The Washington examiner also calls attention to the fact that the president and secretary are new in insurance work—inexperienced though not necessarily incompetent.

Two Letters

San Francisco, Cal., Nov. 26, 1913.
 Equitable Life Assurance Society,
 New York City, N. Y.

Gentlemen:

A Hearst paper in this city, the Examiner, recently printed a special despatch, summarizing special charges by the N. Y. state insurance department against the Equitable.

We do not find any reference to this report in the New York papers nor in the Eastern insurance journals.

Probably these charges are a part of a "frame up" of some kind by politicians preparatory to more legislation, or are exaggerated and hypercritical.

The Coast Review would be pleased to reprint anything the society may say of these charges.

Yours very truly,
 The Coast Review.

The Equitable Life Assurance Society of the
 United States
 165 Broadway, New York
 December 1, 1913.

Editor The Coast Review,
 1103 Merchants Exchange,
 San Francisco, California.

My dear Sir:

Replying to your letter of November 26th, the story you saw in the Examiner was doubtless the same story that appeared in the Hearst paper in New York. It was an old and very unjust criticism—so obviously incorrect and unjust that the papers did not publish it at the time it was made, nor did any of them pay the slightest attention to the recent publication of the story in the Hearst papers.

My impression is that the American was imposed upon by a dismissed agency employe who has a grievance against one of our managers. At any rate, they dropped the matter.

To attempt to answer such absurd charges would simply be giving wider circulation to them. The insurance journals, with the exception of two or three, did not even make inquiries about it. In justice to the

Society, I trust that you will ignore it as the others have done.

Nevertheless, please understand that we appreciate very much your offer to print a reply to these charges,

Very truly yours,
 E. E. Rittenhouse.

The Days of Grace Saved an Insurance Estate

One month of grace is allowed for payment of second and subsequent years' premiums on Northern Life policies. During that month of grace the policy is kept in full force.

It is not always wise, however, to presume too much upon the grace period thus allowed. In these times of swift traveling, motor powered vehicles, railroad accidents and the like, one cannot tell how near to jeopardy he might be at any moment.

Only last month one of the Northern Life policyholders, hale, hearty and strong, started out for a trip to a neighboring town, and it turned out to be his last journey on this earth. Endeavoring to board the train whilst it was in motion, he somehow slipped and fell, sustaining injuries through which he died the following day; and that day on which he died was the last one of the grace period upon which his policy was running.

Helpless and insensible through this accident there could be no thought of the policy, so nearly lapsed. Had fortune or fate given him but one day more of life, all liability to pay the insurance would have ceased.

We should therefore be well within the grace period in making premium payments.
 —Northern Light.

In the Travelers present ten weeks contest, closing this month, among the leaders are: C. D. Holman, G. F. Cornell, C. H. Ross, S. B. Wright, B. J. Blaisdell, S. D. Sillers, W. A. Rugg, San Francisco; E. F. Jones, J. L. Meares, P. J. Torrey, C. S. Culbertson, Louis Rolfe, D. W. Reid, Seattle; C. E. Carver, V. W. Good, Los Angeles; M. J. Moses, G. E. Smith, Denver; T. J. Swivel, Portland.

From A Memorial to Fraternal Benefit Societies on Group Insurance

By John Sullivan of Kansas City, Chairman of Committee on National and State Legislation of the M. W. A.

The rapid achievements of the propaganda of a number of the "old line" companies in the actual writing, in past months, of tens of thousands of the working classes on the group insurance plan, threatening the absorption of the fraternal "field" if continued; is the most momentous problem with which the American fraternal system has ever been confronted.

American Life Convention Goes On Record Against the Principle of Group Insurance

At the annual session of the American Life Convention, composed of 110 legal reserve companies, held at St. Paul, Minnesota, the week beginning August 18, 1913, upon report of the executive committee of such body following an extended discussion of this committee's report, the following resolution was adopted by unanimous vote:

"Resolved, That the issuance of group insurance by legal reserve life insurance companies without individual medical examination is a menace to legal reserve life insurance, a discrimination against regularly examined policyholders, is unfair in principle and dangerous in practice."

Mutual Life Underwriters Protest

The following resolutions were adopted at the 1913 annual session of the Mutual Life Underwriters at Buffalo, New York. This association of regular assessment companies of the country has one and one half billions of insurance outstanding.

Resolved, That it is the sense of the members of this organization that the issuance of group insurance, without individual medical examination, is a menace to the future interests of life insurance organizations, unfair in principle and dangerous in practice, and

Be it further resolved, That this organization does hereby disapprove of such practice, and will give its support

to any proper legislation to preclude such practice, and to require an individual medical examination of all applicants for life insurance.

Fraternal and "Old Line" Fields

The American fraternal beneficiary society system today has a membership of about twelve million persons. This system of family protection has been encouraged by specific state laws in each one of the American states.

Its "field" has been peculiarly the "working classes" of America. Family protection at lowest possible cost, non-profit making in the form of organization, representative form of government, ritualistic ceremony in adoption and medical examination as a one test in selection have been inviolable tenets in all state statutes.

"Old line" system of life insurance recognized universally by state law as profit making, dividend paying, having as its peculiar field the well-to-do who are able to pay for commercial forms of life insurance.

Assisted by state legislatures, insurance departments and through the peculiar conditions of operations of each, the "fraternals" and "old liners" have not heretofore operated to destroy the other but have each prospered and rendered inestimable service to the American family.

In recent years some of the "old liners" have in a mad desire to extend their field of operations pursued a plan of intruding into the fraternal field on lines not to their good and harmful, if not destructive, to the fraternals. Term insurance on cheap current cost basis to delude the fraternalists, was the first onslaught, to be followed by other plans including monthly payment contracts and now full blown in the unfair indefensible and ultimately disastrous effort of attempted wholesaling life insurance on chimerical lines of selection, "with special rates of premiums less than the usual rates of premium on such policies." (Arizona statute), which up to recent times, if broached, would have been proclaimed by all insurance authorities as monstrous, all designated "group insurance."

Coast Loss Ratio 47 Per Cent

Estimates of some \$16,000,000 Coast premiums and losses thereunder give an average loss ratio of 47.6 percent this year to date. Figures yet to come will probably increase this average. Ratios range from under 40 to over 60.

Marshall A. Frank Is Sued by Pacific Coast Surety Co.

Marshall A. Frank, formerly general agent and large stockholder of the Pacific Coast Casualty of San Francisco, is being sued by that company to recover \$20,000 premiums collected by him as the Marshall A. Frank Co. and not accounted for, in 1910 and 1911, it is alleged.

Life Mortgage Loans in San Francisco

Mortgage loans by life companies are reported as follows for San Francisco:

New York Life Ins. Co.	\$3,250,000
Equitable Life Assur. Society	2,814,000
Mutual Life Ins. Co.	2,300,000
Northwestern Mutual Life	1,900,000
Metropolitan Life Ins. Co.	850,000
Penn Mutual Life Ins. Co.	150,000
Total	\$11,264,000

Col. Kinne Dies in His 73d Year

Heart failure claimed Col. C. Mason Kinne on Christmas day. He was stricken in the midst of festivities which he had planned, at the home of his daughter and grandchildren in Berkeley.

The deceased was connected with the Liverpool & London & Globe Ins. Co. Pacific department for forty years, and was retired two years ago, on a liberal allowance. He was a member of the famous California Hundred volunteers in the Civil War and served until the close of that struggle as adjutant-general.

November bank clearings in California were down as compared with a year ago. Los Angeles \$97,667,966, a decline of some \$11,500,000 or over 10 percent. San Francisco, \$218,738,493, a decline of over \$21,000,000, a decline of nearly 9 percent. San Diego fell off over \$2,000,000 or nearly 19

percent. Last year was not up to standard either.

The Frankfort General Will Engage in Fire Insurance

The Frankfort General, which does a miscellaneous business in this country, is about to increase its capital largely and engage in fire insurance. It will take over two German companies next month—the German and the Neptune.

The Frankfort is represented here by Walter A. Chowen.

It now writes liability, workingmen's collective, burglary, personal accident and health, and industrial accident and health.

The American Fidelity came to the Pacific Coast, where it met The Coast Review's criticism that its liability rates were too low, and that it was losing money. The company promptly retired from this field. It certainly did lose money. The stockholders had to raise additional funds, and now they have cut their capital in two. The company will accept no more liability business. "We told you so."

In California the state promises a refund to employers who insure with it—if the officeholders do not absorb too much for salaries. That "if" is a mountain.

Annalen des gesamten Versicherungswesens announces that a Berlin fire company will soon consolidate with another Berlin company.

The London & Lancashire Fire will take over the National General.

The Commercial Union will take over the Liverpool Victoria.

Salt Lake City—E. H. Pierce is retiring from business.

The National Board has named its member of the World's Insurance Congress's national council, Whitney Palache, vice president of the Hartford Fire, formerly one of its general agents in San Francisco.

In the East

Willard Wayman of Wayman & Henry, Benj. J. Smith of the Connecticut.

Pleasing Reminders For Long

The Fireman's Fund presents its friends a steel tape-measure in a handsome case, with greetings engraved thereon.

General Agent Tyson enables his friends to make light of their troubles with a perfect gasoline light box, thus obviating the use of the incendiary match.

Manager Thornton and Assistant Manager Mendell of the London send along with their cards the most sensibly made knife we ever saw. It cuts everything but friendship. It is a fingernail preservative.

Manager Watt of the Royal makes his Christmas greetings in a material way. The pocket folding scissors, with the Royal monogram, need but a touch to spring to do you good service. They are handy, too, to make cuttings from your morning paper.

Calendars.—The Fidelity-Phenix has yachting for its pictorial subject this year. It is fine. The Fidelity Underwriters' calendar is of the wall type, with green background. It is pleasing to the eye.

The Continental calendar, as usual, deals with a "Continental" subject in its handsome colored picture half. "The first shot at Yorktown" is portrayed, with Gen. Washington firing a cannon. This was on the same month and day thereof that Chicago was fired ninety years later.

Christmas and New Year cards this season are more than usually tasteful. Elbridge G. Snow, president of the Home of New York sends a white ribboned folder card. The cards of Geo. T. Dexter of the Mutual Life and Forrest F. Dryden of the Prudential have the green leaf and red berry in relief. The Security Mutual beribboned folder transports us to England or to Victoria, B. C. Manager Avery's greetings are expressed on a distinguishing card. R. T. Archer writes a personal letter. Other cards at hand as we write are those of Macdonald & Miles, J. H. Ankele, and the Capital Fire.

W. L. Hathaway, insurance commissioner of the World's Fair, issues an original and pretty view of the Golden Gate. The insurance congress will be in session from Oct. 1 to Oct. 15.

The Metropolitan Life card is about the size of this page. The design is original. There are two golden candlesticks. The 1913 candle is burned down; the 1914 candle is ready for lighting.

Commercial Union Changes

On January 1 R. C. Medcraft becomes assistant manager of the Pacific department of the Commercial Union and the Palatine, under Manager E. T. Niebling. John E. Cosgrove becomes superintendent of agencies. H. L. A. Bates becomes manager of the Metropolitan department of these companies, with offices at 417 California street. The general country and counting offices are at 558 Sacramento street.

How The Life Companies Have Fared

The past year has been the most successful in the history of the Northern Life of Seattle. The company closes the year with an increase of about \$400,000, and about \$9,000,000 insurance in force. There will be a substantial increase in assets, reserves and surplus. Six percent dividends were paid stockholders.

The Occidental Life of Los Angeles wrote about \$3,000,000 new business in 1913, an increase of 20 percent over 1912.

The Oregon Life writes \$2,150,000 new business this year, all in Oregon, and no "term." Premiums collected this year exceed \$250,000; total business in force, \$7,150,000; death losses, \$11,554, or only \$67,227 since organization eight years ago; policies in force, 3,400, a net gain of 600 in the year. Best year in the company's history.

George A. Campbell, formerly in the employ of the American Automobile Co., has been appointed special agent of the Standard Accident, in charge of its automobile department.

President Cochran and General Agent Kilgarif of the Pacific Mutual Life attended the recent very successful meeting of the Association of Life Insurance Presidents in the World's Fair building. Mr. Cochran was one of the speakers.

Manager Thornton of the London Assurance has recovered from his recent illness.

Cobb and Kelley are added to the Insurance Exchange building tenants.

Fraternalism Should Not Be Allowed To Be Destroyed

If the "field" of the fraternalism is taken the fraternalism are naturally destroyed. It has cost the brain and heart impulse of the millions of members therein and much expense to establish and maintain the fraternal beneficiary system.

State law having recognized the system, as being for the good of the state in keeping indigent families off its shoulders, it is entitled to its continued field for its renewal.

Will a successful propaganda of group insurance destroy? Yes. Of 5,000 wage earners, wherever found in America, 4,000 of them will belong to some fraternal society. Given the protection of \$1,000 to \$2,000 in a misleading blanket policy and within six months 3,000 of them will have lapsed from their respective fraternal societies. The other 1,000 is taken from the fraternal "field."

If perchance written in an employees group contract, muchly heralded in sentiment; as quickly as heart or lung shows weakness, employment is ended before there is a loss and the state has a dependent family upon its shoulders. Thus the fraternalism are destroyed and commercialized insurance of a chimerical nature briefly takes its place to the misfortune of the American family.

Fraternalism Have Defeated Group Legislation

State legislatures have balked thereon. In upwards of thirty legislatures, in which bills have been introduced in the past seven years recognizing the principle of group insurance favorable results of the "companies" in but four have been secured. In three of these four the success obtained was achieved through side line efforts of legislation. The fraternal societies, labor organizations and other lines of organizations at which such efforts are directed aided in their defeat.

Individual medical examination including individual warranties and representation-statements of the individual; with warranties and investigations as to habits, hazard of occupation, sanitary conditions of home life and of occupation, including investiga-

tion as to moral hazard; with many other divers features of prudent selection lines has been the non-varying rule of all forms of life insurance business, to such degree, that such may be regarded as fundamental in all life insurance.

"Old Lines" Now Want Whole Field

As indicative of the far reaching intent of the "companies," in group insurance, a brief quotation from the uniform bill thereon formulated and supported before state legislatures by the Association of Life Insurance Presidents is as follows: Issuing "policies of life, or endowment insurance, with or without annuities, with special rates of premiums less than usual rates of premium for such policies insuring members of labor organizations, lodges, benefit societies or similar organizations of employees of any employer who, through their secretary or employer may take out insurance in an aggregate of not less than 100 members and pay their premium through such secretary or employe."

The intent to purloin lodges and even whole benefit societies is thus undeniable. To purloin the whole fraternal "field" is equally apparent. To do so "at less than usual premium rates" specifically appears.

To purloin a lodge is discriminatory as such can be accomplished only through some form of invidious practice in twisting.

Lodges have memberships of perchance a score of different occupations and hazards and it is impossible to take any "census" thereof. There is no line of measure of the health of such a "group." The lodge group being fixed in personnel admitting no after entrants is an insurance proposition which pleads its own fallacy.

Medical Examination as a Test of Selection

Any and all forms of group insurance meaning the taking of a "whole group" of persons without individual medical examination, or test as to health is discriminatory against individually secured policyholders being written "at less than usual premium rates." It is a bold indefensible gambling proposition in life insurance and deserves the condemnation of the life insurance world.

President Day of the Equitable is out with presumably the strongest defense, excuse, palliation and plea for group insurance that can be written. This defense is called out by the action of the Associated Fraternities of America, in its recent session, in which it endorsed a tentative draft of a legislative bill which simply requires a medical examination for all forms of American life insurance and declares against group insurance; by action of the American Life Convention composed of 110 legal reserve companies, which in annual convention, upon report of its executive committee and full discussion declares strongly against group insurance; also the Mutual Life Underwriters which in its convention declared against the principle of group insurance and in favor of prohibitory legislation.

President Day says: "The mortality on this class of business is no larger in fact than that on medically examined risks."

Of such recent introduction, Mr. Day is only safe in voicing such, as a mere assertion, because there has been no experience upon which to base a test. Will Mr. Day give the lines upon which an insurer can prudently base any such statement as applied to say the 18,000 members of the Y. M. C. A. in New York city recently written, as set out in the public press, under a group contract? These people are presumably of various and numerous lines of occupation, of diversified hazards, of unknowable predilections to constitutional ailments and diseases, and of home and occupation sanitary conditions. What percent of these 18,000 people are now afflicted in heart, lung, kidneys or other organ? Upon what basis can anybody gauge what the mortality of such group is to be?

Why Not

Why doesn't the Equitable Life insure anybody without medical examination? Why not authorize its solicitors to canvass workmen and clerks and merchants—a group of good lives, certainly—and to say to each, "No medical examination is necessary, my dear sir." An English company insures without medical examination. Let the American Equitable be consistent and

have the courage of its group convictions. What is "sauce" for the goose group is certainly sauce for the gander group.

First Life Policy Under State Insurance Law Issued in Wisconsin

Madison, Wis., November.—The first policies in a state life insurance fund in America have been issued by the insurance department of Wisconsin. Former Speaker Charles A. Ingram, of Durand, who introduced the bill in the 1911 session to create state insurance, received the first policy.

Applications came from several states, but under the laws policies may be issued only to residents of Wisconsin.

The law making provision for state life insurance was enacted after the idea had been worked out by Commissioner of Insurance Ekern and a legislative committee. A study had been made of similar laws in Germany, Great Britain, Italy and Belgium.

No policy is issued for a larger amount than \$1,000. When the number of policyholders reaches 1,000 the maximum policy issued will be for \$2,000 and when the number reaches 2,000 the maximum policy will be for \$3,000, the highest amount authorized.

Existing governmental machinery will be used in the administration of the law, without the creation of additional offices. No paid agents will be employed.

The state is responsible only for the premium fund, and is not liable for losses in excess thereof. There is no guarantee that the face of the policy will be paid.

The Metropolitan Life is encouraging the boys of its policyholders to join the Boy Scouts of America. Many of these lads are members of this company's Health and Happiness League.

The Intermountain association of life underwriters is the scramble of all the life men of the seven Rocky Mountain states. The unscrambling will come later.

No, madam, it is not called "industrial" life insurance because the agents have to be specially industrious.

LIFE, CASUALTY, ETC.

Acquisition Cost Ruling

Supt. Wm. T. Emmet of New York has revised his former ruling. A limit of 17½ percent for acquisition expenses on workmen's compensation and liability business in states with such laws and 20 percent in other states—except that in Montana, Wyoming, Colorado, New Mexico, Arizona, Utah and Idaho a commission not to exceed 25 percent of the premium may be permitted.

Acquisition expenses include commissions to brokers, local and general agents, salaries of branch office and resident managers, contingent commissions of the latter, salaries and commissions of special agents, clerical and supervision cost of policies written in agencies, payments under profit-sharing contracts, cost of collection of premiums, rent, clerical salaries, furniture and equipment, telephone-telegraph-postage charges, and traveling expenses. Taxes are generously excluded.

Liability men are grateful for being allowed to remain on earth.

Circular Letter on the Liability and Miscellaneous Situation

Arizona Corporation Commission, Phoenix.

Insurance Publishing Company,

Merchants Exchange Building,
San Francisco, Calif.

Gentlemen:

Yielding to the pressure of repeated requests from press and public, this department herewith expresses its views, on the recent ruling of Superintendent of Insurance Emmet of New York, regarding the acquisition cost of liability and miscellaneous insurance in the United States, a subject which seems to have the attention of the entire insurance world at this time.

It is not the desire of this department to enter into a lengthy discussion of a condition that appears to us uncalled for and unwarranted.

Statistics show us that for the ten years period of 1903 to 1912, both inclusive, the total earned premiums on all forms of

liability policies were \$237,562,809, and the total losses paid (plus claim reserves as of 1912) and expenses (including taxes) were \$235,405,080, leaving \$2,157,729 profit, or nine-tenths of one percent on the business transacted.

From the above statement, no dividends having been included in these figures, it is evident that the majority of companies have not only had no surplus available for dividend, but have operated at a loss and of course the corporations directly interested know these facts, and it must be admitted by all thinking men that the great question is that of regulation. It is not possible at this time to point out the lines which this regulation will follow. It is possible to state beyond a question of a doubt, that scientific conclusions can never be reached through state legislation, for the reason that this is not a condition that should be subject to the ideas of an individual who may be removed from office at the pleasure of the public.

It seems a pity that the large insurance companies of these United States, backed by efficient organizations and finances, cannot regulate themselves so as to deal with this matter intelligently, which is simply co-operation, and abolish this blood-thirsty warfare of competition, making uniform rates based on the average risk, an increase or reduction being taken according as the equipment and management of the employer are below or above a certain fixed standard. If you will think the problem out, taking the information from all sides, you will be forced to the conclusion that the principle of co-operation must largely take the place of competition, and that co-operation in its healthiest, most useful form, can be much more effectively practiced by great corporations than by small ones.

Each day it becomes more apparent that all questions in this country must be settled at the bar of public opinion. If we are to have a continuation of the warfare now being waged between the several state departments and the various insurance

bodies, we are slowly but surely driving it into the hands of our government, not as to ownership or management, or anything that remotely resembles socialism, but as to regulation and co-operation. In my estimation this would improve the business standard, beyond our faintest imagination. We have but one standard anyhow, that of fair dealing between man and man, and the higher a man rises in business, as in any other pursuit, the more he realizes the necessity for strict adherence to this ethical law. Consider the supreme court and such bodies as the inter-state commerce commission at Washington. Does anyone think for a moment that because these bodies are composed of practical lawyers and railroad men appointed to these positions for their efficiency, that they would be especially partial to these interests? Certainly not.

With the right kind of regulation, you would become as a nation used to the advantages offered by other corporations and not fail to take all of these advantages. Then perhaps you would abandon the idea that corporations do things and come to the bare facts which are, that the manager is the man who commits the crime or renders the benefit.

This is my point of view, now work it out for yourselves, and quickly, because if you do not, I say to you in all sincerity, that you will get regulation and when it comes it will not be as an absolutely new and untried thing. It will be analogous to some other form of regulation or human activity and it will work smoothly and much more to the interest of all concerned. If you are sufficiently interested in this efficiency movement to entertain a plan of action, this department will gladly co-operate with any board or committee you may elect. Yours very truly,

W. N. Bridges,
Superintendent of Insurance.

for the past ten years. Col. Hawes was "a Vermonter." He entered the Union Army at the beginning of the Civil War as captain in the Ninth Illinois Infantry. For some years there was a warm, not to say bitter, rivalry between Manager Hawes of the N. Y. Life and Manager Forbes of the Mutual Life. Their California reports were always the last to be filed, and the Mutual always had just a little the more new business. They were the leaders always in those days, and the Equitable was far down the list.

State Liability Insurance in Ohio

A compulsory liability insurance law goes into effect in the Buckeye state on January 1. Public and private employees are covered. The compensation is 66 $\frac{2}{3}$ percent of the wages.

For temporary or partial disability the maximum award is \$3,750; for total disability the maximum is \$12 a week for life and the minimum is \$5, with medical and funeral expenses and a maximum of \$3,750 in the event of death.

Under the old law the employers insured with liability companies, which made no large profits because expenses (and commissions) ate up the difference between the earned premiums and the losses and expenses. It is declared that of the losses paid less than 50 percent ever reached the beneficiaries.

The new law, made possible by a constitutional amendment, provides that all the money paid by employers shall be paid to claimants, as the state pays for the administration of the fund. The accident experience of the individual employer is an element of the premium cost to him—the fewer the accidents the less the premium.

The future of industrial liability insurance may be said to depend upon the practical workings of this new compulsory law. If it is a success, all the states will probably enact similar laws.

Are not the liability companies, as well as the employers, partly responsible for these state insurance laws?

Always put your best thought forward, and thereby get on in the world.

Obituary. — Col. A. G. Hawes, for many years the manager for the New York Life at San Francisco, died in Honolulu, December 6, in his 83d year. He had been living in the islands for some time, and had been only indirectly connected with his company

LOOKING BACKWARD

Twenty Years Ago

A \$60,000 insurance loss on stock of furniture in San Francisco. Merced Falls woolen mills burned. General fire in Fresno. A general fire in Salt Lake, also in Susanville, Maxwell and San Francisco. An electric power house and car fire in Portland. Rolling mills in Oakland burned.

Companies contributing on these and other losses not now in business were: State Investment, Denver, People's, Phenix of Brooklyn, Manchester, Oakland Home, Home Mutual, Southern, Farragut, Reading, Lancashire, Patriotic, Lion, Imperial, National of Ireland, Sun of S. F., Boylston, North German, Rochester German, Manufacturers & Builders, Hamburg-Magdeburg, Delaware, Transatlantic.

The British Columbia board's first annual meeting was held at New Westminster.

The Anchor Fire & M. was thrown together by Robert Burns and H. S. Merwin.

The Austrian, Phoenix was brought to California by W. H. C. Fowler.

John E. DeWitt, president of the Union Mutual Life of Portland, Me., ended his thirty-years life insurance work by death. He was killed in a railway accident.

Great Falls, Mon., local agents organized a local board.

The Life & Annuity Association of Oakland failed.

R. H. Magill resigned from the Home Mutual.

Isaac Mannheim died.

B. Faymonville, then secretary, was elected second vice-president of the Fireman's Fund.

Chas. J. Okell was wedded.

R. DeLappe, in the local agency business at Maxwell, was appointed a special agent for the Balfour-Guthrie companies.

The Palatine and United were united.

The Pacific Mutual and the Mutual Life both completed new office buildings in San Francisco.

The Continental had \$6,380,181 assets. Now it has \$27,000,000.

The Buyer & Reich loss in San Francisco was receiving much attention.

The State of Salem and the Farmers & Merchants of Albany, Or., were expelled from the Pacific Union.

The Hon. Fred. E. Richards was elected president of the Union Mutual Life Ins. Co. of Maine.

Caspar T. Hopkins died in Pasadena on October 4. In 1855 he was agent at Sacramento for the Liverpool & London. He organized the California Mutual Marine in 1861. Wm. B. Hopkins of the London & Lancashire is his son.

The total fire insurance losses at the World's Fair at Chicago were only \$15,000.

Herbert I. Low, manager for the Transatlantic, died.

Many woolen mill fires occurred. Wool fell 33 percent in price.

Thirteen years' Pacific Coast fire business averaged 46 percent losses. The foreign companies wrote nearly half the grand total of premiums. The California companies wrote one-fifth of the total.

Maxwell & Berry of San Francisco resigned the American Casualty & Security and were appointed California agents of the Union Casualty and Surety. All are dead.

The People's Fire of New Hampshire was found \$400,000 short and the president and treasurer were supposed to be "long" that amount.

The Oakland Home assessed its stockholders \$100,000.

East Portland, Or., agents were held responsible for loss paid under policy which they had been slow in cancelling as ordered.

The Otey Manual was receiving many compliments. A. S. Murray said: "It is the most complete, concise and clearly written book of the kind I have ever seen." Revised and improved, this is now the Pacific Fire Manual.

SEVERAL and SUNDRY

Should Get Together for an Anti-Twisting and Anti-Rebating Law

Representatives of the several classes of insurance in California should unite in the preparation of an acceptable bill for the prevention (by prohibition and penalties) of such hurtful and demoralizing practices as rebating of premiums and "twisting" of policies. Such a law is not wholly a preventive, but it is a deterrent which makes the offense a secret one and greatly diminishes the frequency of it. Anti-twisting and an anti-rebating law is good "talking material" for the decent insurance solicitor. And the law can do no harm.

But the bill as framed must meet the approval of the various insurance interests. It must not be framed exclusively to serve the large companies or the local agents or the brokers or the life men or the liability or the accident men.

Some months ago an anti-twisting and anti-rebating bill, after hammering and trimming and polishing, was passed by the two branches of the California legislature. But the authors had reckoned without some stalwart figures which upset results. Insurance interests equally entitled to consideration had not been consulted. There were objectionable clauses in the bill as passed. The objections to the bill, which were filed with the governor, were weighty enough to induce him to veto it.

It is not too early to consider an entirely new bill for the legislature a year hence. Time will be required to consult all the interests affected, and to prepare a bill and have it endorsed by the firemen and the lifemen and the

marinemens and the suretymens and the accidentmen and the liabilitymen and the casualty men, etc., in and out of organizations. It is possible to prepare a measure acceptable to the several organizations and to the companies and leading men outside of any organization.

There is altogether too much rebating of premiums and twisting of policies—too many rebaters and twisters—in the free and easy golden state of California.

Why Not Civil Service Job Insurance?

The field for insurance is forever expanding. New conditions make new demands for insurance protection. The civil service suggests another expansion. Men accept and hold government jobs under rules and promises which seem a guarantee of permanent place; but with changes of party control come sly, slippery, shifty, surreptitious, serious, sinuous influences, tricks, evasions, threats, trumped up charges, whereby the civil service servant is sent to another inferior job at a much lower salary or forced in self-respect to resign and seek employment at an advanced age, or resigns rather than be tried on false charges by a packed jury of partisan officials. A lloyds, or fraternal or interinsurer may find such job insurance profitable, patriotic and paternal, if no "old line" company offers to guarantee the civil service job for a time corresponding with the working years of the insured civil service servant in this land of the free, the brave and the professional politician.

Embezzled premiums are refunded by the American Surety Co.

**DIXWELL HEWITT**

General Agent Pacific Department Hartford Fire Insurance Co. and Citizens Insurance Company

Dixwell Hewitt is well and favorably known on the Pacific Coast, where for many years he represented several fire companies as special agent. For a time he was assistant manager of the Phoenix of Hartford and a general agent of the Phoenix of London and Providence Washington. In 1903 he was appointed associate general agent of the Pacific department of the two companies of which he now is the sole general agent in this field. Mr. Hewitt was born in Pennsylvania. He was graduated from college in 1886, and at once began insurance work. While employed as a field man he traveled over the entire Pacific West and is thoroughly familiar with underwriting conditions. Mr. Hewitt is in the prime of life, and as he is a golfer he may hope to live fifty years more.

Washington Deposit Law Sustained by United States Supreme Court

Today the national supreme court declared the Washington state deposit law to be constitutional. This law requires all companies entering the state, after its passage, to make a deposit of \$200,000.

Medcraft and Cosgrove Go With Commercial Union on January 1st

R. C. Medcraft, manager, and John E. Cosgrove, assistant manager, of the Union Assurance Society, Ltd., will join the Pacific department of the Commercial Union and the Palatine on January 1, at which time the Union joins the Pacific department of the Law Union & Rock.

Alverson in Charge

W. W. Alverson is now in charge, as general agent, of the Associated Underwriters Inc., which writes about \$400,000 premiums. General Agent Alverson is conservative and has had over twenty years' experience in fire insurance, on this Coast. Two native sons call him father and five companies were pleased to appoint him general agent.

The Great Southern Fire of Kentucky is entering California, with C. J. Stovel as general agent. It is the reinsurer of the Southern States Fire, retired.

Do your Christmas shopping early but not s'early. And don't forget that life insurance policy you have been promising yourself for your wife.

A man never makes a friend nor a customer by swearing—but he may lose one.

The Property Ins. Co. of England is being wound up voluntarily. A liquidator is in charge. It was a non-tariff office. The share-holders will be assessed. The Property Underwriters' Association of San Francisco has no connection with the Property Ins. Co.

The Brokers Exchange get-together-luncheon today (Wednesday) in the Insurance Exchange lecture room was the usual success, in attendance, in friendly greetings. The man with the punch was there, and felt it his duty to stick around.

The Commercial Union has re-insured the National Fire of Cincinnati, as of December 1. The business will be absorbed by the Hand-In-Hand Underwriters.

John F. Stafford of Minnesota is to become superintendent of agencies at the home office of the London & Lancashire.

The Ins. Co. State of Penn and the American of Philadelphia will be merged.

The German American has reinsured the American Home Fire of South Carolina.

Manager Fuller of the Norwich Union has returned from New York.

The S. F. Life Underwriters Assn. meets Dec. 11 to admit men representing companies two years old.

John B. Laidlaw, manager of the Canadian department of the Norwich Union Fire, made his first visit to California this week. He has returned home.

The National Progressive of Cincinnati has reinsured.

The world does indeed go backward when men of honor do not increase in number.

Utah, Oregon and Washington Added to Frank Avery's Territory

Manager Frank M. Avery of the Fire Association and the Philadelphia Underwriters, who has made a notable success in his department — consisting of California, Arizona and Nevada — has had the three states of Washington, Oregon and Utah added to his field. Montana and Idaho will continue to report to Chicago. F. J. Alex Mayer, of Portland, it is understood, will retain his present position.

Manager Avery has had a prosperous year up to date, with a loss ratio below the general average in this field.

Youtz Sentenced to Penitentiary

Joshua E. Youtz of Los Angeles, formerly in the mutual fire business in Ohio, has been sentenced to three years in San Quentin for making a false report of surplus of his company. Youtz organized the Merchants & Insurers' Reporting Co, some years ago. The Coast Review denounced it.

Geo. Crux has not "got a company," as reported by an unreliable contemporary.

John Marshall is not coming to San Francisco, to join the home office staff of the Fireman's Fund, as rumored.

Ins. Com. Ferguson of Oregon went to Wisconsin, was seen and converted, and returns home full of the intoxicating idea of state life insurance. At least, it will increase the number of officeholders and jobs to hand out to needy politicians.

The Phoenix of Hartford has taken over the State Fire of Iowa. Only five Iowa stock companies survive. Next!

We notice that there are no egg fires when the price is 7 cents each.

Big Increase

The Fireman's Fund has made a big gain in premiums in this its semi-centennial year. The reinsurance reserve, we hear, will gain over a million, with a corresponding gain in assets.

The Ohio legislative commission reports fire rates not too high as a whole but that some of the Dean schedule charges are unjust. It is charged, also, that there is discrimination in favor of large insurers. The legislature is urged to include fire insurance in the anti-trust law and to include local agents as well as companies in its provisions.

Montana. — Supreme court sustains Deer Lodge County in suit to recover tax on net receipts of N. Y. Life Ins. Co.

Surety. — A Washington court has upheld the claim of a bank against a surety company and a contractor for the amount of a loan to the latter. The contractor used the money to carry out his contract.

The New York insurance commissioner recommends the companies to use amortized values of bonds and other securities in making their reports to the insurance departments.

The Washington insurance department is of opinion that the promise of a mortgage loan if the insurance is given to the promising agent is an inducement which constitutes a rebate.

Denver insurance on public buildings is to be passed around to all the fellows except James Williams, Republican politician, who has been living on cake too long.

Died. — In Manila, P. I., today, December 16, Mrs. Bina Yeaman, daughter of the late D. J. Staples.

LIABILITY and SURETY and FIDELITY

His Employers Were Surprised and Peeved

A young bookkeeper in New York handled thousands of dollars of his big mill company employers' money. For this tempting service he was paid all of \$18 a week. The high cost of plain living kept on rising. Then the bookkeeper did some high thinking. He became a frenzied financier. Fifty thousand dollars of his kind and generous employers' money disappeared.

For this base ingratitude they prosecuted the bookkeeper. He will now receive free board, lodging and clothing for at least two years. If he has hidden away the money his imprisonment will net him \$25,000 a year.

We mention this case because it points a surety moral.

The moral is this:

A surety company should not guarantee the fidelity of an employee who is not paid a salary commensurate with the responsibility of his position.

The flour mill company which paid only \$18 a week salary to a bookkeeper who could steal \$50,000 from it is not entitled to any sympathy.

California Workmans Compensation Act Goes into Effect January 1

The State Will Engage in Industrial Accident Insurance

Preparation of a schedule of rates for employers under the new Boynton Compensation act, in California, is well advanced at the present writing, and the schedule may have been published when this issue appears. The act requires the state industrial accident board to engage in this liability indemnity, and the stock liability companies must either compete with the state or cease to write workmen's compensation in California. The law says the state compensation insurance fund must be "fairly competitive," but entirely, in a reasonable time, self-supporting. No provision is made for the accumulation of an emergency sur-

plus in proportion to the risks assumed; and, moreover, it is the intention to prorate back to the contributors, yearly, all surplus premiums.

The employer is relieved of liability, except where gross personal negligence is proved against the employer.

Under the California law, the employer must pay for all medical care and attention during the first ninety days following an accident. During the first two weeks of disability, the employe shall receive nothing except medical attention. After that time, he shall be entitled to receive 65 percent of his wages during the time of disability. The total amount shall not exceed three times his annual earnings, and payment shall not be made for a longer period than 240 weeks. In other words, the time for temporary disability may continue nearly five years.

If the accident should cause permanent disability, the percentage of disability as compared with total disability shall be determined. Then payment shall be made on this schedule:

Percent Disability	Pay 65 percent of Wages for	Then Pay During Life
10	40 weeks	
20	80 weeks	
30	120 weeks	
40	160 weeks	
50	200 weeks	
60	240 weeks	
70	240 weeks	10 perc. of wages
80	240 weeks	20 perc. of wages
90	240 weeks	30 perc. of wages
100	240 weeks	40 perc. of wages

If an employe is killed those dependent on him shall receive three times the annual average earnings.

All employers are entitled to insure either with the state or with private companies and the law covers procedure in all cases where an insurance company has the risk.

There is nothing in the act which compels any employer to take out insurance either with the state or with any of the companies in case he elects to be his own insurer. Then, if there are accidents, he is responsible for indemnity under the act.

ONE THING AND ANOTHER

The suit of clothes should rather fit the company than the manager. Twig?

* * *

The struggle for existence is for the survival of the fittest.

* * *

Perhaps you noticed an A. P. dispatch from Boston, blaming rats for the Arcadia hotel fire by which twenty-eight humans lost their lives. The state chemist and the police, while searching for evidence, found in a half-burned closet two scorched, dead rats, "one still holding a piece of burned paper between its jaws." It is believed that the rats had been chewing matches in the waste-paper swept into the closet, and had ignited the matches. It seems certain that the fire started in this closet.

* * *

It has latterly been the fashion to ridicule the belief that rats and mice start fires with matches. Not long ago some city official was quoted as saying the theory that rodents chew and ignite matches is ridiculous. But why ridiculous? The most successful rat poison is partly made of phosphorus, which is a tasty titbit for any kind of rodent. You have heard of phosphorus matches.

* * *

Years ago Col. Kinne brought to our office proof positive. In a closet of a house in San Rafael, Cal., there was found a mouse-nest in which were several matches. The mouse or mice may not have played with the matches, but they certainly wove them into the fabric of the nest.

* * *

President Dutton of the Fireman's Fund has a prized relic or souvenir of the great fire of 1906. Having no thought of a fire that would destroy the company's home office building he did not come down town that fateful morning, as all business was suspended. It is worthy of remark here, that very few people realized for many hours that the city was on fire and doomed. Employees and friends visited the building, however; and one said, "let us try to save

Mr. Dutton's desk, for there may be in it some papers which he values." Therefore they carried the desk across the street and placed it down in the excavation for the new Bank of California building. There the desk, with other salvage, lay during the burning of the city and for some time longer. The hot air from the fiery furnace in which a city melted swept over the piles of books and boxes and desks in that basement, slightly protected by the dirt thrown over the debris. When the city had cooled, the owners clambered over the fallen walls of brick in the streets and claimed the salvage of maps, and desks and boxes. Mr. Dutton opened his desk and found that the hot gases had penetrated it and scorched the contents, but two most valuable books were well preserved, though yellowed and wrinkled. It is a curious fact that the heat, far below the street level, had charred the leather binding of one book into dust but had not damaged the rubber band a particle. It is as strong and elastic today as before the fire.

* * *

These books, saved from the flames, were very valuable. Indeed, the stockholder's names and shares, as recorded in one of these books, may be said to have saved the Fireman's Fund. With this list in hand, the quarterly dividend, mailed by check the day before the fire, was recalled. Payment of the checks was stopped. The essential aid of swift automobiles was employed. Stockholders were visited. The holding company plan was devised. The holding company was organized, with ample capital and surplus, and the business of the old company was reinsured, and its agency staff taken over. This enabled the Fireman's Fund to settle its conflagration liabilities, "pull itself together," create new capital, and take over its former business and agencies.

* * *

The man who has nothing worth stealing or lending is generally of the opinion that men as a rule are honest.

Man With an Alias Sentenced to State's Prison for Making a Fraudulent Insurance Claim

Good Work by Assist. District Attorney Brennan

Peter Panagiot, alias Gus Pappas, of San Francisco and adjacent towns, has transferred his dwelling-place to San Quentin, likewise situated on the bay of San Francisco. This change of residence was not a voluntary act on Peter-Gus' part, however. The court and the assistant district attorney had a good deal to do with the moving. The court sentenced this suspected firebug to eighteen months' imprisonment.

This time the convicted man was "caught with the goods." As Peter Panagiot he had a fire on December 17, 1912, at 919 San Pablo avenue, Albany, Alameda county, Cal. The evidence indicated that the fire was of incendiary origin, but the evidence was not deemed strong enough to convict Peter of arson. His stock of groceries was insured for \$3,000, and was alleged to be all in the building at the time of the fire.

But this rascal's cunning overreached. In making his claim for insurance he presented a number of bills from firms in San Francisco, of whom he claimed that he had purchased groceries. These bills, on investigation, were found to be fraudulent. Panagiot was accused of trying to defraud the insurer. He was arrested and convicted on this charge. The insurer was the Liverpool & London & Globe Insurance Company.

This successful prosecution was directed by James F. Brennan, the assistant district attorney of the city and county of San Francisco. Mr. Brennan did excellent work in this case, in which a less zealous prosecutor might have failed.

In May, 1910, this same defendant was indicted under the name of Gus Pappas. He was accused of presenting to the Home Insurance Company a fraudulent claim under a policy covering an automobile. He was acquitted. His subsequent suit against the insurer ended in a settlement.

Pappas was also implicated in a fire of incendiary origin at Daly City about four years ago, but was not tried criminally.

Pappas, or Panagiot, has the general reputation of a firebug who is probably the cause of a number of incendiary fires in San Francisco and vicinity. His conviction and imprisonment should serve as a sufficient warning to him and his like for awhile.

Chicago would not have burned in 1871 if Mrs. O'Leary's cow had been stalled in a concrete garage.

Increase of Capital

The Orient Ins. Co. will at once increase its capital to \$1,000,000. This company is represented by Manager Sam B. Stoy.

The Orient at the beginning of the year had \$1,317,282 net surplus over liabilities and its \$500,000 capital.

Epigramma Cunninghamma

A man never quite realizes how much good-as-new household stuff an ordinary dwelling will hold, until he, his wife and the girls get together to inventory their "fond recollections," after a fire.

"Yes," said the manager who had been listening to an insurance convention paper on 'Our Troubles,' "that was a well written paper of Blank's, and I wish I knew as little about the matter as he does."

It is already known that 1913 will be recorded as an unpleasant one for fire insurance. The large fire loss, increased taxes and other expenses, low rates, depreciation in the market value of securities, etc., is a severe combination against profit.

Insurance clerk—"I would like a day off tomorrow, to attend the funeral of a school friend."

Manager—"Can't do it, my boy, not just for a friend's funeral. Now, if it were the funeral of your father, or mother, I would be delighted."

A special agent hurriedly sent a deceased agent's partner a day-letter telegram as follows: "I can't express the sorrow I feel in hearing that dear Jim has gone to Heaven. You know what great friends we were and I can hardly realize that we shall never meet again."

To esteem the companies you represent above all others is not to despise all others.

Client—"How is it that you don't dun me for the premium I owe you?"

Agent—"Oh, I never dun a gentleman."

Client—"Indeed, but if he don't pay?"

Agent—"Why, after a certain time I conclude he is not a gentleman and begin usual procedure."

An insurance clerk inspected a bumblebee's nest while on vacation and had a swell time.

Said the grumbling special agent to the train conductor: "No smoker, no diner, no sleeper, and yet you presume to call this an accommodation train!"

It is no test of a company's soundness that it pays its losses; but can it be made to pay, whether or no.

Pessimism is just dispositional dyspepsia.

Most pointers are disappointers.

Are your companies the best because you represent them, or do you represent them because they are the best?

The meek inherit the earth, but haven't an insurance interest.

No one is a common laborer who does his work uncommonly well.

Seems funny to pull down a building by razing it.

Some are always thirsty, but not awfully so at their own expense.

Agent—"I think you told me on your last visit that you intended to resign next year."

Special Agent—"I did, but from confidential information from the office, I find that I intend to resign next week."

Have all your agreements, understandings and promises reduced to writing. A written memorandum says the same thing tomorrow that it does today. A verbal contract of employment may pay a verbal salary.

Writing of an agent, a special agent said: "His wife is the best man of the two. A good business woman and an industrious helper. He calls her his 'right hand', but Sam has a sly way of not letting his right hand know all that his left hand doeth."

Impulsive and radical men usually have clack eyes, either natural or acquired.

Auto Insured in Rear Building, Burned in Front Dwelling, and Was Covered by Personal Property Clause

The automobile was specifically covered under a separate policy "while contained in" a building in the rear of the insured's dwelling. The policy on the insured's dwelling covered also his household goods and all other personal property "while contained therein." The automobile was, one night, left in the basement of the house and was in contact with some inflammable material. The latter became ignited and the succeeding fire destroyed the autocar. The building in the rear was not burned. At first the company denied liability for the loss of "the machine." Later, it accepted the view of the insured and his broker, that the clause "and all other personal property, money and jewelry and bonds and stocks excepted," covered the automobile, and paid the loss on it.

Hereafter this form will be changed to except automobiles.

The railway commission of Canada has authority to call upon a railway company to cause thistles and all noxious weeds growing on the right of way and over the land of the company adjoining the railway to be cut down or rooted out and destroyed each year before the plants have sufficiently matured to seed. The company must at all times maintain and keep its right of way free from dead or dry grass, weeds, &c. Damage to crops, lands, fences, plantations, or buildings and their contents by a fire started by a locomotive shall be paid for by the company owning the locomotive. But if the company can prove that it has used modern and efficient appliances the damages shall not exceed \$5,000 for each fire.

Building operations in the cities of the United States have fallen off 25 percent in the past year.

The fire ins. cos. of the United States contribute nearly \$10,000 a day for the cost of fire prevention.

Life Underwriters' Association of San Francisco Adopts Resolutions for 1914 and 1915

At the recent meeting of this association of California hustlers passed a resolution complimentary to the Oregon association, and copying that body's famous resolution in behalf of the Panama-Pacific Exposition and the holding of the annual meeting of the National Association in San Francisco in 1915, adopted the following:

Whereas, The same resolution has been extensively copied and adopted by other state and city life underwriters' associations throughout the West, thus making the Western states almost unanimous in the objects which this resolution expresses;

Be It Resolved, First—That a special vote of thanks and appreciation be tendered the Life Underwriters Association of Oregon for the framing, introduction and adoption of this resolution;

Second—That a vote of thanks be extended to all other associations who have up to date adopted this resolution;

Third—That as the Los Angeles association has already joined the Oregon association in adopting this resolution, and as the delegates to the Atlantic City convention from the Los Angeles association, the Oregon association, and the Seattle association all heartily co-operated with the San Francisco delegation in creating sentiment expressed in this resolution;

Be It Further Resolved, That all Pacific Coast associations be, and are hereby, invited to co-operate with the San Francisco association in arranging for and acting as hosts to this 1915 convention of the National Association of Life Underwriters in keeping with the above resolution, to the end that the reception out here in 1915 of the National Association of Life Underwriters may be truly a Pacific Coast affair, and to this end

Be It Further Resolved, That all other Pacific Coast associations are invited to appoint committees to arrange for special delegations to meet at some point en route to the Cincinnati convention in 1914, to the end that the delegates from all Pacific Coast associations may go there in a solid body.

A Hard Case in San Francisco

In our issue of November of last year we printed a long account of Willis E. Case, a professional "insurance adviser."

The Colorado insurance department issued a bulletin about the fellow, who, it was stated, was at one time an associate of the notorious Kight Audit and Abstract Co., operating clandestinely and in a skip from town to town way. They all were twisters of policies.

The K. A. & A. Co. sued a man for advice given him, but as it turned out to be bad advice he refused to pay the claim. The judge instructed the jury to return a verdict for the defendant, as the "expert" had recommended a policy offering less benefits at a proportionately lower cost, and that no saving had been effected.

Case and assistants worked the game in Nebraska. The insurance commissioners of Nebraska, Colorado and California have warned the easily deluded public against Case and his associates, who by misrepresentations unsettle business, disturb confidence and twist policies for a double fee—one from the dupe and the other from the company which approves Case's artistic twisting methods.

Case and his associates are still working mischief in California, at \$25 per long beautiful letter of advice and a subsequent commission for the substitute policy, possibly at a lower cost because of inferior benefits.

In ten months new paid-for accident and health premiums the San Francisco office of the Travelers ranks third among the leading twenty. It ranks fourth in new paid-for life business.

In the Scriptures there is quoted disapprovingly a prayer like this: O Lord, we thank Thee we are not as other men are. And, perhaps not with good reason, we are reminded of it by this from the pen of the vice president: "Agents of Nylie, be thankful for the fact that you are with the New York Life and not with some other company."

CHIPS

—St. Paul proposes an ordinance requiring the installation of sprinklers in the basements of all buildings except dwellings.

—The Fireman's Fund's new office building has many attractive designs under consideration. A selection may be made next month. The new building, it is contemplated, will be of the same height as that of the Bank of California across the street. It is possible that the work of demolishing the present building will be undertaken by contractors next spring.

—Life.—In England the Prudential offers deferred assurances for children with a guaranteed annual bonus of £2 percent payable on marriage. Bonuses are independent of future profits and accrue from date of policy; are payable on maturity of policy if assured does not marry, or on death after age 21; and bonuses will accrue at the same rate after marriage.

—The widow of the late Geo. E. Faw has Coast Reviews for 1898, 1899, 1900, 1901, 1902 and 1903, which she will dispose of at a low price to any insurance man wanting to make up a file of this old insurance journal. It will soon be too late to gather up such a file. Another widow has for sale a file running from 1880 down to about 1898. We shall be pleased to carry on the negotiations for these back numbers for any reader who may find a file of this journal useful to him. They can be bound as a whole very cheaply.

—Religious Candle Starts a Fire.—A suburban San Francisco fire was half a mile from a hydrant. The firemen returned to their fire-house for 900 feet more of hose. This loss of time caused the loss of two cottages. The fire was caused by a candle left burning after a religious service.

—The "Efficiency" Life Book.—The Pacific Mutual Life Ins. Co. has issued a small book which we review on page 532. The book is not for sale, but while copies last, the management of the Pacific Mutual will be pleased to present them to any general agents who apply for them.

—The Metropolitan Life figures for 1913 will be tremendous.

—After one warning some morning, early, get rid of your surly employee. He makes no friends, and he may make enemies, for thee.

—California employers who insure with the state are likely to be keenly disappointed in their hopes of dividends or refunds. Politicians do not do business that way.

—Alfred Stillman is on his way round the world, via Japan, to improve his game of golf, as we hear. He may complete his tour by a visit to Crete, where he will interest himself in the archæological excavations and in the palæontology of the Cretan caves.

—Early Crop of Calendars.—The first arrival is the wall calendar of the Liverpool & London & Globe; the second is the handsome big tree calendar of the Pacific Mutual Life Ins. Co.; the third, the six months "turn" of the American from Geo. O. Hoadley, Pacific Coast manager. We expect more of the morish kind.

—The half-tone of General Agent Hewitt, appearing in this number, was made from one of these unpolished, soft-paper photographs which are hard to reproduce on metal. It is not wholly satisfactory to us but it was the best our good artist could do. Mr. Hewitt was absent in the East and knew nothing and knows nothing of the liberty we have taken. We trust that he does not object to this Christmas present.

—If you would prosper in this Pacific West and this truly is no jest) you must be a mixer, a mingler, a blender, a commingler. Here, where men are free and unaffected, dignity is regarded as, generally, an "affected carriage of the body to conceal the natural defects of the mind." Greet your fellows and greet them as equals, at least, "before the law" and in time; and by smiling, prove that you are no dyspeptic nor a grouch. Reflect, like Keats, your name is writ in water, and your successor will be found without any wrenching of the business world.

—Jewelry.—Risk of dishonesty of agents and employees is no longer assumed in England under the ordinary jewel block insurance.

—An attorney from Portland, Or., recently visited San Francisco with a demand on several fire companies for money for his client "for services rendered."

—There are some big interests that want war with Mexico. They are subsidizing some newspapers. There are some big interests that do not want war with Mexico. They are subsidizing other newspapers.

—Accident Premiums Gain. — A Travelers bulletin says: Insurance reports indicate that fire insurance premiums increased 82 percent from 1902 to 1912. For the same period, accident and health premiums increased 190 percent.

—Insurance Stocks.—The following bids are reported:

Fireman's Fund	\$227.50
California State Life	10.75
Vulcan Fire	10.00
Western States Life	8.25
West Coast Life is \$200 asked.	

—Susanville, Cal., is growing fast. Many houses are being built. The Red River Lumber Co. is planning to market its nearly 1,000 square miles of timber. Fifty carloads a day can be shipped for many years. A railroad is being built to this timber, where 600 carloads of lumber await it.

—There is a new auto starter on the market, for which the accident companies should issue a vote of thanks. It weighs only 25 lbs., and with this starter you needn't leave the baby home when you automobile with a starter on board. The Goodwin (of Christensen & Goodwin) & Miles Co. are the sole owners and manufacturers. This is an air actuated automatic device of the distributor type. Anybody who can afford to subscribe for the Coast Review can afford it; indeed, no automobile family can afford to be without this cheap and perfect starter. Nothing can get out of order, except the owner who recharges too often at the road-houses.

—Tucson, A., has voted \$165,000 bonds for improvements in the water system. The city water is now drawn from wells.

—Los Angeles in November ranked next to New York in the number of building permits—1,155, chiefly dwellings. San Francisco beat it far in values.

—Life Premiums Taxable.—The national supreme court at Washington has ruled that the Montana law taxing life premiums is constitutional. This law allows losses and expenses to be deducted but taxes the remainder, including the contributions to loading and the reserve. The N. Y. Life was contestant. This tax-eaters' law is unjust. It is as if every bank deposit were taxed.

—At 6 p. m. in San Francisco, at the corner of California and Sansome streets, a lone man was set upon by four ruffians, beaten, knocked down and kicked. The men are supposed to have been strikers, and the victim of course a non-union workman. No police in sight, no arrests, and no mention in the papers. And this in the insurance district in a large American city in the 20th century.

—A New York law provides that if appraisers cannot agree upon an umpire the appointment may be left to a court. This law went into effect recently. It is in the nature of a clause added to the standard form of policy—or it is not. Competent legal opinion says it does not affect the laws of states which require the N. Y. standard form as now or as may hereafter be. A very rare thing is inability of appraisers to agree upon an umpire.

—Prune Contracts May Have a Moral Hazard.—We hear that sellers of prunes and other fruits, and possibly nuts, contract to deliver stipulated amounts. If unable to deliver, they must pay for the default. If prevented from delivering the goods by a fire, the penalty for the default is a limited sum per car. This limit may be considerably less than for failure to deliver because of inability to buy the fruit sold short. Prunes and nut crops have been partial failures in California.

In Insuredom

As the tendency is for one company to carry the whole line, so also the tendency is for one company to write every kind of insurance. A law as to reserve and surplus for each kind of risk assumed would make policyholders as safe as now—perhaps safer.

The Buffalo Commercial drops into the Buffalo German.

Michigan agents are behind a bill prohibiting brokers from other states from operating in the Peninsula state.

Every man is on trial—always.

General Agent Kilgarif of the Pacific Mutual (Kilgarif & Beaver) returns from New York today.

Remarkable Growth of the Prudential

"The company has grown remarkably in all respects." Thus begins the report of the examination of The Prudential Insurance Company of America by the department of banking and insurance of New Jersey, recently issued. This examination occupied a period of several months and required the services of forty examiners at the home office and four hundred and thirty others employed on appraisals and other matters at a distance. This triennial examination was under the supervision of David Parks Fackler and Edward B. Fackler.

Referring to the company's growth, the report shows that the assets of The Prudential have increased since the last examination from \$200,000,000 to \$291,000,000, or forty-five percent, while the insurance in force has increased from \$1,703,000,000 to \$2,220,000,000, or more than thirty percent. The company's annual statement as of December 31, 1912, was tested to determine its accuracy, with the result that the examiners' figures in many instances were more favorable than the company claimed in its statement.

All of the \$160,000,000 of bonds reported by The Prudential were found to be in the company's possession except those deposited

elsewhere to comply with legal requirements, for which proper certificates were shown. The stocks held by the company had a par value of \$975,200 and a market value of \$5,669,895.

Our Dictionary

WANDERER.—One who wonders or wanders or wends. A day much used for wending is Wednesday. A wanderer moves about from post to pillar, from place to place, from house to house from town to town, from tie to tie. See Wandering Willie.

PLANET—A brilliant celestial body; a shining light; a wanderer with a fixed orbit; a satellite without any light of its own, moving on a small plane, with curves. Explain it

The Press

The founders' anniversary number of Rough Notes is a very excellent one, which will be carefully preserved by every insurance man who is so fortunate as to receive a copy. These Indianians have the literary knack indeed. Among the contributors is Arthur H. Dutton, who writes of the Panama-Pacific fair and the Insurance Congress, with portraits of Commissioner Hathaway and executive Commitmen Wm. J. Dutton, Geo. I. Cochran, F. F. Taylor, W. E. Dean, and Hon. E. C. Cooper. A specially interesting contribution is that by Walter C. Wright on Elizur Wright, a prophet.

In respect to fire insurance, as in respect to most other kinds of business activity, the world in its progress has left the age of competition behind, and has passed into an era when co-operation, not competition, shall be the controlling watchword. . . . The drift in the fire insurance world has been the same as elsewhere. It has been in the direction of doing away with the sharp competition which once existed in the business.—William T. Emmet.

War risks taken in London cover a war between Greece and Turkey up to February 1. Clear profit.

Almost Trebled

The Pacific Mutual Life had two accident policies for \$5,000 each on Grafton Stevens, of Wilmette, who with his wife was burned to death in a fire. The accumulations on the two policies increased their face to \$10,000, and because of death in a burning building the double indemnity clause applies. The policies also had a beneficiary clause, and as Mrs. Stevens was the person named, this added \$5,000 more to the claim, making a total payment of \$29,000.

The Prudential has paid an extra dividend to stockholders this year.

The Life U. A. of Los A. has elected A. P. Chipron president and W. McClellan secretary. The Equitable Life seems to be rushing it.

Pre ident John R Hageman of the Metropolitan Life is ill.

Value of Cancer Statistics

An address on "The Educational Value of Cancer Statistics to Insurance Companies, the Public, and the Medical Profession," was delivered by Frederick L. Hoffman, LL. D., statistician of the Prudential Ins. Co. of America, before the Clinical Congress of Surgeons of North America, in Chicago.

Mr. Hoffman estimates the number of deaths from cancer in the United States for 1912 at about 71,000, of which 28,041 were deaths from cancer of the stomach and liver; 10,790 were of the female organs of generation; 9,371 were of the peritoneum, intestines and rectum; 6,886 were of the breast; 2,768 were of the buccal cavity, and 2,627 were of the skin; while in addition thereto 10,507 deaths were due to cancer of other organs and parts.

He holds that it is incredible that the large increase in the cancer death rate from 37.2 per 100,000 of population during the five years ending with 1876, to 80.5 during the five years ending with 1911, was only apparent and not real, and only the result of improved diagnosis and death certifica-

tion. "As a matter of fact," he says, "there are strong reasons for believing that the actual increase in the liability of the American population to malignant disease has been even greater than indicated by the mortality returns."

Over-emphasis, he says, has been placed upon the alleged hereditary tendency in cancer, which theory has only been slowly given up in the view of increasing statistical and other evidence to the contrary. It, of course, is not to be denied that a double history of cancer in the family should be looked upon with apprehension, but no conclusive evidence has been brought forward to prove that cancer is actually transmitted from parent to child, although it is readily conceivable that a constitutional predisposition to cancerous affections is transmitted, which it is only right and proper shall be taken into account in the selection of risks for insurance.

The mortality experience of the Prudential Assurance Co. of London, in its industrial branch, exhibits a very low proportionate mortality from cancer as possibly typical of the working class. Statistics of a number of life companies exhibit a relatively high proportionate mortality from cancer during the most recent years of experience, confirming to this extent the conclusion that cancer is actually on the increase in this as well as other civilized countries.

The mortality statistics of the Prudential Insurance Co. of America proves a distinctly lower proportionate mortality among industrial policyholders, representative of the wage-earning and less prosperous element, and a distinctly higher proportionate mortality among ordinary policyholders, representative of the prosperous and the well-to-do. The experience seems to confirm the views advanced by Williams and others, that cancer is relatively more common among the well-to-do than among the poor, and that the excess in the death rate is largely attributable to over-nutrition as a possible primary existing cause or irritant in the production of cancerous affections.

Always invest your money as if it were all you have.

LIFE

The London Life advertises that it pays no commissions. Its rate for non-participating \$5,000 whole life, age 30, is \$17.70 per \$1,000.

Every life insurance policy kept in force is bound to mature. This is not true of any other kind of policy.

Supt. Emmet of New York on Life Insurance

The business of life insurance in the United States as conducted today by all the large and responsible companies stands upon a splendidly secure foundation. Most of the technical questions relating to the business have been solved, and solved for all time. It is a standardized business. It has ceased to be a speculative business. The policy contracts issued by the great companies are as safe as if the credit of the government were behind them. Of course, little points arise from time to time which require the attention of legislatures and insurance departments, but broadly speak-

ing it may be said that the life insurance business is now in a condition where the chief ability required by those who are conducting it is the ability to conserve and protect the great achievements of the past, not the ability to strike out new paths to be followed in the future. The business of life insurance in America has cast off its swaddling clothes, it has sown its wild oats, it has reached man's estate.

\$200,000 Special Deposit

The Northern Life of Seattle has on deposit with the state of Washington \$200,000 for the protection of all its policyholders.

Decline in Surplus

In the past nine months the surety companies reporting to the United States treasury department have "sunk" 3½ millions of their surplus. Decline in securities is the chief cause.

During the past three months over a million of insurance was applied for in the Northern Life of Seattle.

Pacific Mutual For Pacific Coast Agents

*The Best Opportunities for High Class Field Men
in a Company with a Clean Past and a Great Future*

CALIFORNIA AGENCIES:**LIFE DEPARTMENT**

JOHN NEWTON RUSSELL, Jr., Manager
517 West Sixth St., Los Angeles

KILGARIF & BEAVER, Inc., Managers
5th floor, Shreve Bldg., San Francisco

WHITTINGTON & COLLINS, Gen'l Agents
1010 Van Nuys Bldg., Los Angeles

ACCIDENT DEPARTMENT

THE McCUISTION CO., Gen'l Agents
414 Story Bldg.,
Los Angeles

F. A. STEARNS, Manager
5th floor, Shreve Bldg.,
San Francisco



Organized 1868

Queen

Insurance Company
Of America, N. Y.

NET ASSETS, (JAN. 1, 1913) . . . \$9,994,450.00

NET SURPLUS, " . . . 3,961,146.00

E. F. BEDDALL
President

N. S. BARTOW
Secretary

GEO. W. BURCHELL
Vice-President

Gross Assets ^{JAN. 1} 1913 \$104,642,884

Exclusively Fire Assets 46,944,394

Net Surplus - - 17,684,610

Losses Paid - - 247,700,319

Transacts Largest FIRE Insurance Business of any Company in the World

GEO. CHAPPELL, Manager

J. J. ATKINSON, Sub-Manager
LIVERPOOL, ENGLAND

DEPARTMENT OFFICES: Boston, New York, Chicago, Atlanta
San Francisco, Montreal.  Agencies in all principal Cities and Towns



ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Assistant Manager

FREDERICK B. KELLAM, Branch Secretary

ROYAL INSURANCE BUILDING. SAN FRANCISCO

SPECIAL AGENTS: Frank M. Gilcrest, H. R. Burke, J. K. Urmston
J. B. Walden, D. L. Stewart, C. D. Gabrielson, E. P. Eldred,
J. H. Banks, F. J. Perry, J. T. O'Brien, R. S. Folger, Matt B.
Evans, (automobile) C. A. Luhrs.

LIFE

The National Insurance Commissioners' Convention says it is the duty of commissioners to urge a law against issuing a policy without a reserve right to defer the granting of a policy loan or cash surrender value for 60 days, but permitting policy loans to pay premiums.

LIABILITY

The new law of New York is so drastic that it is feared any possible schedule of rates will be too low to permit a profit to the companies. Every rate must be filed with the state insurance department and be approved by the superintendent of insurance. If deemed too low to provide the legal reserves, it is his duty to disapprove.

Montana.—The name of the U. S. Fidelity & Guaranty Co. is no longer on the black-list of this state. The company has settled in full the (\$24,720) claim of Gallatin county for the loss by the defalcation of the county treasurer. The surety company had threat-

ened to mandamus the governor to compel the state to accept its bonds.

FIRE

No fewer than 66 fire companies able to pay all losses have discontinued writing policies on "old Kentucky homes," the state intermeddling board having made rates too low for any profit.

GENERAL

Nevada—In 1912 Nevada produced 4,763,965 short tons of gold ore, a gain of 631,244 tons; but the value was only \$13,456,180 against \$18,193,397 in 1911. Lead and zinc products increased enormously. The total value of gold, silver, copper, lead and zinc products was \$38,358,732, a gain of some \$4,400,000. The principal decrease in gold production was in the Goldfield district. Silver products gained about 1,200,000 ounces, being 14,369,063. Copper production was 86,477,499 pounds, a gain of over 9,000,000. In 1904 the Nevada copper output was only 29,317 pounds. Sixteen counties produce this metal.

Fire and Automobile Insurance

American of Newark

Chartered in 1846

Capital Stock	\$1,000,000.00
Liabilities	5,431,072.05
Special Reserve Fund	300,000.00
Net Surplus	3,135,102.52
Total Assets	\$9,866,174.57

P. L. HOADLEY, Pres't.

C. W. BAILEY, Sec'y.

Pacific Department, San Francisco, California

GEORGE O. HOADLEY, Manager

TROS. H. WILLIAMS, Asst. Mgr.

ARIZONA

Reports for 1913 must cover the entire year, under the new law effective October 1.

CASUALTY

In New York city brokerage is 12½ on employees liability and workmen's collection; on other liability lines, 17½; on property damage and collision 20 percent.

The North Carolina department sends out a warning against the Century Life & Accident Ins. Co.

FIRE

The Minnesota department may sue the Central National, New Hampshire, Concordia and other companies for overinsuring a risk in Minnesota, which was afterwards the subject of an attempt to burn. The appraisal value was only \$2,600 while the insurance was \$11,000 in some seven companies. The new law against overinsurance was violated. The penalty is only forfeiture of double the amount of the premiums.

The Fire Underwriters Inspection Bureau is issuing some very timely and excellent reinspection reports for Ogden.

The Indiana state agent of the Fireman's Fund has been elected president of the Indiana Association of Fire Underwriters.

Toledo has a People's National Fire.

LIFE

P. M. A. Lienau will represent the Manhattan Life in New Mexico.

The Metropolitan Life will care for its employees who contract consumption. The company has opened a sanitarium.

Life insurance is already suffering from business depression.

The sooner "group" insurance is killed by law, the better.

LIFE

Eugene R. Ellis comes all the way from Philadelphia to San Francisco for the Union Central.

The federal government will refund about \$1,600,000 to life companies for tax paid on "dividends" to policyholders. The U. S. supreme court rules that such refunds may be deducted from the gross income in paying the federal corporation tax.

Peyotti, Id.—A. J. Scritchfield will represent the National Life U. S. A. for southern Idaho.

San Francisco.—Kilgaard & Nymeyer Inc. now represent the Continental L. I. & I.

GENERAL

The ancient Gauls, in the time of Julius Cæsar, killed their prisoners. The Gauls were barbarians. The Mexicans of today, the so-called rebels and the so-called federals, also kill their prisoners.

London Lloyds continue writing American business thru American agents without paying American taxes. An insurance commissioner makes a poor policeman.

California's next governor may be a Democrat and a friend of Andy.

The mayor-elect of New York was formerly an employee of the New York Board of Fire Underwriters.

Liability.—Iowa's new law says every employer must provide surgical, doctrical and hospitalical aid to injured employee for two weeks, at a cost not exceeding \$100. If the employee be not then sane, sound and sunny, and able to rise with the alarm clock and go to work, the compensation period begins, or, as the Normans say, "commences." The compensation is to be half the average weekly wage, the "min" to be \$5 a week and the "max" \$10, etc., and so forth and so wider, as they say in the Fatherland

GENERAL INSURANCE NOTES

Boston Insurance Lecture Course

The second evening of the insurance lecture course under the auspices of the Insurance Library Association of Boston shows an enrollment of one hundred and twenty-five men. The lectures follow the first year course of the Insurance Institute of America, comprising the following subjects:

1. History and philosophy of fire insurance and fire insurance terms.
2. Common fire hazards, celluloid fire hazards, and fire hazards of hotels and lodging houses.
3. The standard fire policy.
4. Fire protection.
5. Building construction.

The lecturers are: Messrs. Gayle T. Forbush, general agent, Royal Exchange Assurance; W. B. Medlicott, general agent, Atlas Assurance Company and lecturer on fire insurance at Harvard University; Gorham Dana, manager of the Underwriters' Bureau of New England; Benjamin Richards, superintendent of records, Underwriters' Bureau of New England; J. Albert Robinson, formerly editor of Fire Records, National Fire Prevention Association; and M. F. Jones, electrical

and chemical engineer of the New England Bureau of United Inspection. The lectures continue each Friday night from the middle of November until early in April, with a brief intermission during Christmas and New Years.

At no time since the inauguration of evening lectures three years ago has interest in them been so great as now. This was shown in a striking manner recently when a Boston office circulated among its surprised employees notices to the effect that it would pay the fee of \$5 for any employee who would enroll for this year's lectures. Up to the present time nearly forty men have accepted this offer.

Insures Big Pear Tree

Los Angeles, Dec. 18.—H. A. Woodworth of Whittier, who owns an avocado, or allegator pear tree which last year netted him \$3,206 in fruit and budwood, has insured the tree with Lloyds of London for \$30,000. The tree is 6 years old and was planted by a rancher who secured the seed in a Mexican desert.

PACIFIC COAST DEPARTMENT

WILLIAMSBURGH CITY FIRE INS. CO.

Organized 1853

MERCHANTS FIRE ASSURANCE CORPORATION

Organized 1910

NEW BRUNSWICK FIRE INSURANCE CO.

Organized 1826

NORTH RIVER INSURANCE CO.

Organized 1822

UNITED STATES FIRE INSURANCE COMPANY *Organized 1824*

ASSOCIATED UNDERWRITERS, INC., General Agent

W. W. ALVERSON, Manager

374 Pine Street, - - San Francisco, California

AMPLE FACILITIES for Handling Large Lines. AGENTS WANTED in California, Oregon, Washington, Idaho, Montana, Arizona

FIRE INSURANCE

FROM COAST REVIEW EXTRA

Attempts to Burn Hotel

Monday, Dec. 1. Two attempts made to burn Hotel Fresno, 447 Eddy street, San Francisco. Walter Gavis in charge, found a bed on fire, with matches scattered around. Soon afterward he saw smoke coming from another room, on floor below. The bedding in that room had likewise been ignited. Fred Wiltz is proprietor of the hotel.

Another fire in the above on Dec. 4. Wiltz or Wilts says all his insurance expired some time ago.

Arson Attempt in Albany, Cal.

November 29.—After removing the panelling and baseboard in the dining-room of the residence at 1502 Albany terrace, Albany (opposite San Francisco), a firebug this morning packed the crevices with oil-soaked shavings and applied a match. Prompt work of the Berkeley fire department, aided by volunteers, discovered the state of affairs before the building could be destroyed.

The home, occupied until last night by Charles Grove, is the property of the Neil Munro Company of Berkeley. The Grove family cannot be found and east bay police have been notified of their disappearance.

In addition to the fire "plant" in the dining-room, separate fires had been started under beds and on the larger pieces of furniture. The furniture had been purchased from an Oakland firm on the installment plan and is said to have been insured for several thousand dollars. Firemen believe the attempt was unsuccessful because all the doors and windows were closed and there was no draft to fan the flames.

FOREIGN

The Catholic & General, says our Belfast contemporary, is a class venture closely associated with the Roman Catholic Church, which, for no obvious or clearly defined reason, is to receive one-third of the net profits, if any are forthcoming. The promoters are to receive 3,000 shares treated as fully paid up, and \$30,000 is to be placed at their disposal to defray a portion of further initial outlay. The shares cost \$5 and already have an intrinsic value of less than \$4--and not a dollar of business written.

The Insurance Brokers' Corporation of England is taking steps to secure recognition by parliament. The United Kingdom is filled with agents or alleged brokers whose commissions are limited to those paid on their own personal business.

The Policyholder says: "Some offices do not hesitate to pay commission to insurers if by so doing they can secure the business, while some agents often find it necessary to share commissions with the insured."

Herbert, Sask.—Acting Mayor Wiens, an insurance agent, hired detectives and made a still hunt for two firebugs, and caught 'em. They await trial. But the councilmen, jealous and mean, refuse to pay the expenses out of the town funds. Perhaps they are too well insured.

CANADA.—The passing of the dividend on the £475,000 bonds of the North Saskatchewan Land Company shows that selling land in Canada is no longer an easy occupation. The halt in this branch of business cannot fail materially to affect general trade in Canada.—London Times.

FOR PROSPEROUS MEN

The Income Tax Explained

The new federal income tax need not cause many insurance men much worry, but as it will be strictly enforced, it is well to understand it. The following points have been explained by a collector of internal revenue.

Q.—What is the method of establishing exemption?

A.—From total income first deduct specific exemption of \$3,000 (\$4,000 if married.) Then the necessary expenses actually paid in carrying on any business, not including personal, living or family expenses; second, all interest paid within a year by a taxable person or indebtedness; third, all national, state, county, school and municipal taxes paid within the year, not including those assessed against local benefits; fourth, losses actually sustained during the year, incurred in trade or arising from fires, storms or shipwreck; and not compensated for by insurance or otherwise; fifth, debts due to the taxpayer actually ascertained to be worthless and charged off within the year; sixth, a reasonable allowance for the exhaustion, wear and tear of property arising out of its use or employment in the business, not to exceed, in the case of mines, 5 per centum of the gross value at the mine of the output for the year for which the computation is made, but no deduction shall be made for any amount of expense of restoring property, or making good the exhaustion thereof for which an allowance is or has been made; provided, that no deduction shall be allowed for any amount paid out for new buildings, permanent improvements, or betterments, made to increase the value of any property or estate; seventh, the amount received as dividends upon the stock or from the net earnings of any corporation, joint stock company, association or insurance company

which is taxable upon its net income as hereinafter provided; eighth, the amount of income, the tax upon which has been paid or withheld for payment at the source of income, under the provisions of this section, provided that whenever the tax upon the income of a person is required to be withheld and paid at the source as hereinafter required, if such annual income does not exceed the sum of \$18,000 a year, deduction will not be indefinite as to amount of time of accrual, the same shall not be deducted in the personal return of such person.

Q.—Must one establish exemption in order to be sure that income tax will not be deducted from his wages?

A.—Unless he receives more than \$18,000 a year deduction will not be made at source this year; and hereafter, only in event he receives more than \$3,000 a year, and does not file with employer proof of exemption.

Q.—What statement, if any, will be required of those with families whose incomes are less than \$4,000 per annum?

A.—None.

Q.—Would a widower, whose wife died within the year for which he makes return, be entitled to the \$1,000 exemption for wife?

A.—No.

Q.—Assuming that a person had an income of \$5,000 from a corporation; that he also had an income of equal amount from property in the hands of a fiscal agent, and no other income, would he need to make a return of his income?

A.—For the first year, yes; after that, no.

In cases where a man's salary is \$3,000 (or \$4,000 if married) or over, the tax must be deducted from his salary by the corporation which employs him.



Main Offices
56 Cedar Street

ORGANIZED
APRIL 13th, 1853

THE HOME Insurance Company NEW YORK

ELBRIDGE G. SNOW,
President

The completion of SIXTY YEARS finds THE HOME in the premier position among the Insurance Companies of the world not only in respect of FIRE ASSETS and SURPLUS to POLICY-HOLDERS—but with an unexcelled record for fair dealing in every emergency as well as in ordinary routine—with an unsurpassed equipment, and with the ability as well as the readiness to serve the public, its agents and brokers.

1792—FIRE INSURANCE

AUTOMOBILE INSURANCE—1913

Insurance Co. of North America

OF PHILADELPHIA

ASSETS, \$17,850,390.17

Alliance Insurance Company

OF PHILADELPHIA

ASSETS, \$ 2,235,234.35

PACIFIC COAST DEPARTMENT:

JAMES C. JOHNSTON, General Agent

J. K. HAMILTON, Asst. General Agent

Security Building, 343 Sansome St.

SAN FRANCISCO

SPECIAL AGENTS

GEO. ORMOND SMITH, San Francisco

M. H. REEVES, Spokane, Wash.

W. F. KUHL, Los Angeles, Cal.

BERNARD FROISETH, Portland, Ore.

GILMAN L. CAMP, Billings, Mont.

GENERAL

District of Columbia. — After 10 years' service in the department, 3 years as superintendent, Geo. W. Ingham has resigned: He says it is a voluntary resignation and one not due to the change of administration and party at Washington. Congress gave Supt. I. a complete vindication in connection with the valuation placed on the Southern building by the Commercial Fire and National Fire.

J. E. Armstrong, agent at Regina, Sask., was briefly in the United States, which he entered in a stolen automobile between two days. He got behind with the Hudson Bay \$1,500, ran away to steal another day. In North Dakota Armstrong tried to sell the stolen automobile for \$1,200, and that led to his undoing. He is now back in jail in Regina.

Which Mexican bandit do you favor?

FIRE

San Francisco.—Two fires of incendiary origin in Empire planing mill, 744 Bryant street, Dec. 15. Baling rope, oil-soaked, was used. — The fire boat David Scannel saved \$50,000 worth of grain in wharf warehouses.

The Hudson Bay is now everywhere a board company. But it would like to boycott, first the American and second the English companies, for its Clannish motto is "Canada for Canadians." Young folks always have foolish notions.

The Coast Review this month contains report of the Fresno gasoline case, by the supreme court.

Ish ka bibble.

A poet, indeed! Joe, at the Credit Men's Association, said: "Insurance warms and germinates in the golden breast of the grain in the field." A botanist, truly!

Agents Do Well who Represent the
SAN FRANCISCO LIFE INSURANCE COMPANY

**Experienced Life Insurance Men
 and Successful Business Men Direct its Affairs**

Business and Resources are Increasing. Interest Earnings are
 6.30 per cent. Low Mortality Experience Shows
 Good Class of Policyholders.

Home Office: 57 POST ST. San Francisco, Cal.

GERMANIA

**FIRE INSURANCE COMPANY,
 NEW YORK.**

ORGANIZED 1859.

Statement, January 1, 1913.

Cash Capital, - - -	\$1,000,000 00
Assets, - - - - -	7,213,762 27
Net Surplus, - - -	2,613,814 88
Surplus for Policyholders	3,613,814 88

HEAD OFFICE

Cor. William and Cedar Sts.

FIRE

Bend, Or., Dec. 10—Fire destroyed boiler house of Bend Lumber Co. last night. Volunteer firefighters saved rest of plant.

Montreal asks the Quebec legislature to pass a law limiting fire insurance recovery to three-fifths of actual value destroyed.

You Wish to Be Paid Well

for Your Efforts.

Producers receive liberal compensation under the

**Direct Agency Contract
 of the Manhattan Life**

A top-notch renewal income assured for years to come.

Several pieces of excellent territory, with exclusive rights, open for men of character and ability.

For particulars address:

**The Manhattan Life Insurance
 Company**

66 Broadway - New York
JOHN LANDERS, Manager.

LIFE

The Montana Life has F. E. Beatty for secretary.

St. Joe. — The St. Joseph Life, with A. L. McPherson as chief chef, a new one, has begun the pleasant task of dissipating its new net surplus of \$50,000.

Dr. Waldo Coe, a well known Portland life insurance examiner and man of affairs, is financially embarrassed because of his land and irrigation projects in eastern Oregon. He has other troubles.

Licensed by the State of California Insurance Department.

Property Underwriters Association

Of San Francisco, Cal.

AUTOMOBILE INSURANCE

Complete Coverage

FIRE INSURANCE

MOTOR CYCLE INSURANCE

C. J. STOVEL, Manager and Attorney

Stovel Bldg., San Francisco

Telephone Kearny 2568

Branch Office: No. 207 I. W. VAN NUYS BLDG., LOS ANGELES

CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Stands alone in having paid to its policyholders in death claims, endowments, dividends, surrender values, annuities, and other credits more than they have paid to it in premiums.

Premiums received since organization, 1846-1912 \$280,438,555.87

Returned to policyholders as above noted, in the same period 288,936,237.13

Excess of amount so returned 8,497,681.26

Insurance in force December 31, 1912 209,394,597.00

The only company with such a record is the best company to represent.

President, **JOHN M. TAYLOR**, Hartford, Ct.

GENERAL

Insurance men average with other men.

A man named Holland has written a book on Belgium.

San Francisco, Dec. 15. — Four-story brick liquor house of Jesse Moore-Hunt at 199 Second street damaged by fire. Water-tower used for first time in several years. High pressure system used with good effect.

1,524 San Francisco Street Carmen to Be Insured Under the Group Plan

There are 1,524 employees of the United Railroads who will be entitled to life insurance under the group plan.

Of the total 1,026 have been in the employ of the company for more than

five years and will be insured for \$1,000; 254 are four-year men and will be insured for \$500 each and 244 are three-year men and each will be insured for \$250. Two-thirds of these men are married and have homes.

The plan is to insure for their own benefit all men who have been in the employ of the company for more than three years at the expense of the company. If any man dies while in the employ of the street car company the insurance company will pay the money to his heirs. Men killed in accidents, the railway company pays for under the employers' liability act.

The Standard, a five-year-old, has reinsured.

LIFE

The Royal Life of Illinois has sold its stock. This is the beginning.

The Metropolitan Life paid over one and a third million mortuary bonuses this year, besides nearly four millions cash premium bonuses.

FIRE

A knowledge of the history of the agitation resulting in state rating boards and the fact that state rating boards proceed to put all rates down and no rates up, shows conclusively

that the demand for state rates is based upon the belief that the aggregate of premiums is too high rather than that the insurance premiums are unfairly apportioned among insurers.—David Rumsey.

The constitutionality of state insurance rating laws is being tested before the U. S. supreme court.

The Commercial Union and Palatine San Francisco city offices are now on California street, ground floor, east end, of the Insurance Exchange building.

GOOD AGENTS WANTED

THE
West Coast Life Insurance Co.

Home Office: West Coast Life Building, Northwest Corner
Pine and Leidesdorff Streets, San Francisco

ORIGINAL AND ATTRACTIVE
ORDINARY AND INDUSTRIAL

Policies Which Meet With Instant Favor

OFFICERS— THOS. L. MILLER, *President*
C. O. G. MILLER, *Vice-President*
JULIAN SONNTAG, *second Vice-President*
WILLIAM C. HAMMOND, *Secretary*

Health and Accident Insurance

KIMBALL C. ATWOOD, *President*
WILFRID C. POTTER, *Secretary*

The
Preferred
Accident Insurance
Co.
OF NEW YORK.

Assets, January 1, 1913	\$2,927,027 58
Surplus and Reserve (including Capital) for the Protection of Policyholders	2,613,849 13
Claims Paid, Over	9,000,000 00
Voluntary Reserve for Contingencies	100,000 00

HEALTH AND ACCIDENT POLICIES

The Best Insurance for Business and Professional Men The Easiest Insurance for Agents to sell
Liberal Commissions and Renewal Contracts to Good Men

GEO. C. FARRELL, Manager Pacific Coast Dept.

456-457-458 Mills Building, San Francisco

FIRE**NIAGARA FIRE** Insurance Company

Assets, - \$6,981,389.16 Surplus to Policyholders, - \$3,664,392.31

DETROIT FIRE & MARINE Insurance Company

Assets, - \$2,194,259.14 Surplus to Policyholders, - \$1,549,532.75

NIAGARA - DETROIT UNDERWRITERS

Assets, - \$10,661,489.00 Surplus to Policyholders, - \$5,966,544.00

EDWIN PARRISH, Manager*Pacific Coast Department 334 Pine St., - San Francisco***AUTOMOBILE****CASUALTY**

The weary Alabama Fidelity & Casualty has reinsured and will retire early tonight. "Here we rest."

MEN WHO CAN DO THE WORK

are offered remunerative positions as field representatives in desirable territory. Good places are always open to the right men — those who can produce applications and collect premiums.

UNION MUTUAL LIFE Insurance Company

PORTLAND, MAINE.

FRED E. RICHARDS, PresidentAddress ALBERT E. AWDE, Supt.,
396 Congress St., Portland, Maine.**GEO. ELLIOTT HUNT, Manager**
Shreve Bldg., San FranciscoT. H. McAllis, Manager, Sherlock Bldg.
Portland, Ore.P. B. Duren, Manager, Boston Block, Seattle,
Wash.The Western States Agency Co., Manager,
225 Foster Building, Denver, Col.

J. E. Evans, Manager, Vancouver, B. C.

CASUALTY

The Western Casualty of Spokane was floated by the Crown Finance Co. Two farmer dupes have recovered from the president of the floater the amounts they paid for stock, \$22,500. They bought on the representation that \$20 a share would be deposited with the state for their protection in case the casualty co. failed.

Oregon.—The London & Lancashire G. & A. is now in this state.

LIFE

The Manhattan Life now has two new policies. The flavor is good. Roche is a good mixer.

The Wisconsin state department "refuses to allow" the Independent Order of Foresters to withdraw while under fire of an examination.

FIRE

Fruitvale, Cal., Dec. 17.—Automobile truck crashed into an oil tank. Flames followed. A 40,000 gal. tank of oil exploded and other tanks followed suit. The only one saved was a gasoline tank. An explosion blew off the burning oil on top. Loss \$150,000.



ATLAS

Assurance Company

(LIMITED)

Of London, England

With which is Incorporated the

Manchester Assurance Co.

TOTAL SECURITY, . . . \$25,000,000.00

ASSETS IN UNITED STATES, \$2,826,707.00

Office: **430** California Street, San Francisco

FRANK J. DEVLIN, Manager

T. H. PALACHE, Assistant Manager

FIRE

For many years the Home Ins. Co. of New York has been the leader among fire companies of the Western hemisphere, in assets and surplus to policyholders.

Oleum, Cal., Dec. 9. — Asphalt plant of Union Oil Co. destroyed by fire. Trains on S. P. held up 3 hours. Loss possibly \$100,000. Pipe carrying liquid asphalt from the boilers exploded and discharged flaming liquid over the roofs. Several tanks of gasoline caught fire. The high power lines were

burned and the salt water pumps could not be operated.

Oakland, Cal. — Chinese art store L. Yip, 1526 San Pablo avenue, near Fifteenth.

GENERAL

Alexander Dumas was a mulatto.

W'ether crops are bountiful depends on the weather.

The apple crop of this country, in storage, is now known to be about \$4,000,000 shy.

Sample page of the Coast Review Pacific Fire Chart for 1913

OTHER AMERICAN COMPANIES

CAPITAL NET SURPLUS, YEAR ORGANIZED.	FINANCIAL CONDITION				INCOME		EXPENDITURES		RATIOS		PACIFIC-DEPT.			
	GROSS FIRE ASSETS	LIABILI- TIES	SURPLUS AS TO POLICY- HOLDERS	REINSUR- ANCE RESERVE	NET PREMIUMS RECEIVED	TOTAL INCOME	TOTAL EXPENDI- TURES	LOSSES PAID	EX- PENSES	LOSSES TO PREMIUMS	EXP'S TO PREMIUMS	PREMI- UMS RECEIVED	LOSSES PAID	LOSS RATIO
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%	\$	\$	%
AETNA	1913 23,051,531	9,813,139	13,238,393	8,351,197	9,571,431	10,564,466	9,397,688	4,977,975	3,401,437	52.9	35.3	1,050,009	359,561	35.1
Hartford, 1819	1912 2,017,390	9,183,195	12,834,116	7,936,384	8,906,034	8,516,103	8,724,561	4,595,293	3,126,755	51.6	35.1	1,072,045	306,091	28.5
Capital	\$5,000,000	1911 2,025,345	8,654,329	12,369,015	7,424,219	8,327,817	7,882,817	3,936,749	2,997,975	47.5	36.0	1,013,646	336,024	33.1
Net Surplus	8,248,335	1910 18,062,110	7,999,496	10,062,704	7,334,254	8,053,683	7,035,818	3,653,396	2,742,422	49.7	35.4	894,035	233,623	26.1
	1909 16,300,733	7,293,655	9,207,078	6,299,859	6,918,256	7,584,102	7,009,392	3,761,314	2,463,138	54.1	35.4	815,796	236,130	30.3
Agricultural	1913 4,189,617	2,209,612	1,980,005	1,833,031	1,697,319	1,882,876	1,689,589	860,371	701,147	50.6	41.2	293,692	108,730	41.7
Watertown, 1855	1912 4,000,429	2,194,459	1,805,970	1,835,773	1,712,904	1,878,586	1,651,823	880,194	696,029	51.4	40.6	276,402	84,457	35.0
Capital	\$3,000,000	1911 3,751,805	2,081,206	1,700,599	1,767,214	1,885,574	1,556,112	777,800	698,081	46.0	41.4	257,754	109,399	42.5
Net Surplus	1,480,045	1910 3,470,509	1,920,887	1,549,672	1,553,437	1,789,175	1,398,304	663,492	672,912	40.1	40.5	211,514	90,565	37.5
	1909 3,063,437	1,731,491	1,331,446	1,016,132	1,599,408	1,637,350	1,437,630	737,818	635,271	48.8	42.0	208,064	68,141	32.7
Allemania Fire	1913 1,747,593	838,926	908,667	757,897	781,400	863,318	755,834	383,942	341,891	49.1	43.7	21,347	8,195	38.5
Pittsburg, 1868	1912 1,642,324	839,887	802,437	743,216	811,755	888,147	806,063	404,766	365,898	49.8	43.8	18,982	7,582	39.9
Capital	\$200,000	1911 807,478	739,525	720,211	775,724	847,895	761,776	387,075	344,700	49.9	44.4	21,600	6,110	29.0
Net Surplus	708,667	1910 778,294	686,885	678,155	753,829	834,235	680,629	340,495	310,134	44.1	41.8	22,295	4,806	21.5
	1909 1,317,518	701,195	616,323	625,893	729,226	790,294	661,882	328,591	297,714	45.0	40.8	22,295	4,806	21.5
ALLIANCE	1913 2,238,629	845,038	1,392,591	668,155	1,032,291	1,105,993	808,810	488,077	339,258	47.2	32.8	135,292	52,331	38.8
Philadelphia, 1904	1912 2,018,944	765,671	1,253,273	645,370	957,027	1,035,986	816,093	496,611	313,839	51.9	32.8	158,082	52,722	33.3
Capital	\$750,000	1911 1,805,969	722,618	1,083,351	939,758	1,016,773	798,695	467,556	331,139	49.7	35.2	138,537	46,785	33.7
Net Surplus	642,591	1910 1,630,753	695,272	915,482	868,709	926,584	754,703	431,769	281,278	49.9	31.0	119,959	41,085	36.8
	1909 1,454,403	691,036	850,347	488,999	754,166	805,393	653,201	402,747	256,848	31.4	31.4	112,275	34,388	30.6
AMERICAN	1913 9,866,174	5,731,072	4,135,102	4,789,327	3,034,062	4,320,180	3,735,843	1,932,126	1,563,064	49.1	39.7	234,181	103,891	40.0
Newark, 1816	1912 9,344,435	5,381,886	3,962,540	4,513,550	3,570,998	3,950,737	3,598,800	1,959,844	1,408,991	54.8	39.4	227,128	84,003	36.9
Capital	\$1,000,000	1911 9,043,082	5,324,683	3,629,399	4,555,042	3,960,420	3,310,809	1,719,810	1,419,949	47.6	39.3	2,5,006	105,851	48.5
Net Surplus	3,135,102	1910 8,533,295	5,180,271	3,355,055	4,381,834	3,762,987	3,184,992	1,719,402	1,315,668	49.9	39.2	215,191	91,620	42.0
	1909 7,748,032	5,043,033	2,704,999	4,312,575	3,238,258	3,580,237	3,262,930	1,803,627	1,309,306	55.7	40.4	208,526	±260,752	124.8

5

† Includes \$98,409 conflagration reinsurance of Traders.

ARE YOU PLEASED?

IF NOT, SEE

US

**POLICIES UP TO THE MINUTE
LIFE, ACCIDENT and HEALTH,
Occidental Life Insurance Co.
OF CALIFORNIA**

"THE DURABLE"

THIRD FLOOR GROSSE BLDG.

LOS ANGELES, CAL.



NEW YORK UNDERWRITERS AGENCY

Cash Assets January 1, 1913,	- - - -	\$26,492,318.21
Net Surplus January 1, 1913,	- - - -	8,513,692.22
Surplus to Policyholders January 1, 1913,	- - - -	10,513,692.22
Losses Paid, Over	- - - -	158,607,806.03

H. R. MANN, Manager

F. M. BRANCH, H. R. MANN Jr., Assistant Managers

Pacific Department: 339-341 Sansome St., San Francisco

SPECIAL AGENTS AND ADJUSTERS:—V. H. QUITZOW, A. C. ANDERSON, SAN FRANCISCO, CAL.; A. E. BAILEY, SEATTLE, WASH.; H. HARRY SMITH, LOS ANGELES, CAL.; H. B. HAGEN, SPOKANE, WASH.

President, HON. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE.

BRITISH AMERICA ASSURANCE CO. OF TORONTO

(INCORPORATED 1833)

United States Assets	\$1,746,624.71
Liabilities in United States	1,045,080.89
Surplus	\$701,543.82

PACIFIC COAST DEPARTMENT

129 Leidesdorff Street, - San Francisco

MILLER, SCOTT & HENLEY, Managers

FIRE

French fire mutuals have about \$13,740,000,000 in force, with a burning loss ratio of about .31 percent.

London Lloyds had \$27,500 on the recent Chicago tile roofing fire out of the total \$126,000 loss.

The Glens Falls has entered Canada.

Salt Lake City.—The Fire Underwriters' Inspection Bureau has been making some re-inspection reports on well-known risks in this city. One is classed, as a risk as a whole, poor. These reports are thorough and valuable.

American Central INSURANCE COMPANY of St. Louis Established 1853
 Assets, \$5,549,279 Surplus to Policyholders, \$2,410,275 Losses Paid, \$26,531,745

St. Paul F. & M. INSURANCE COMPANY of St. Paul, Minn. Established 1865
 Assets, \$8,785,319 Surplus to Policyholders, \$3,351,370 Losses Paid, \$44,006,102

LLOYDS PLATE GLASS INSURANCE COMPANY, NEW YORK

Mercantile F. & M. UNDERWRITERS of St. Louis Assets, \$5,549,279
 Surplus to Policyholders, 2,410,275
Minnesota UNDERWRITERS of St. Paul Assets, \$8,785,319
 Surplus to Policyholders, 3,351,370

TERRITORY—California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona

CHRISTENSEN & GOODWIN, Managers

Pacific Department:—235 to 241 SANSOME STREET, SAN FRANCISCO.

Fire Association

Organized 1817

Of PHILADELPHIA

Began on Coast 1873

Paid \$1,835,930 San Francisco Conflagration Losses

Cash Capital,	\$ 750,000.00	Cash Assets,	\$9,091,141.00
Net Surplus,	2,590,263.00	Policyholders Surplus,	3,340,263.00

PHILADELPHIA UNDERWRITERS

(Insurance Company of North America and Fire Association of Philadelphia.)

Total Assets,	\$26,907,330.00	Surplus to Policyholders,	\$12,185,135.00
Net Losses Paid in San Francisco in 1906,			\$5,064,178.03

FRANK M. AVERY, Manager California, Arizona and Nevada
 Special Agents: T. F. O'GRADY, San Francisco; GEO. F. STANIFORD, Los Angeles
 315 California Street, - - - San Francisco

GENERAL

It is said that Lloyds of London have been insuring Mexican merchants against loss by looting.

Marine Loss.—Schr. Balboa wrecked at entrance to Gray's harbor, Washington coast.

Doggone Bad.—The French dog insurance company failed. It was the creditors that howled.

Reading maketh a full man.—Lord Bacon. No reading maketh a fool man.—Editor Bacon.

"Business is rotten."

At Vallejo, Cal., Noah Hatheway, a local insurance man has been appointed city treasurer by the city commissioners.

In the shivering East the worst is yet to come. Real winter begins on December 20, when on the Pacific Coast some of the finest weather begins.

Why not, as we do, put Lloyds in lower case l, as lloyds, if Boycott is printed with a small b? Be consistent, you writers and printers.

COAST REVIEW POSTERETTE

Fire Losses

In the United States Average

\$559 Every Minute

In the Past 24 Hours The Total of Values
Destroyed by Fire

*Amounts to \$804,960 Of Which the Uninsured Total
Is Not Less Than \$400,000*

FIRE

New York is the United States.—The State Assurance has been doing business on the Pacific Coast for many years, but the Eastern insurance press is now announcing that this British company is now entering the United States by applying for admission to New York.

Cisterns in San Francisco.—The fire commissioners have sent a communication to the board of public works requesting that cisterns at the following locations be repaired and placed in good condition: Powell and Broadway Powell and Pacific, Powell and Jackson, California and Montgomery, Kearny and Pacific, Kearny and Sacramento, Grant avenue and Broadway, Grant avenue and Green, Sansome and Bush, Kearny and Bush, Kearny and Post, Mission and Third and Folsom and Sixteenth streets.

National Fire of U. S., with a capital of \$4,000,000, is announced in fecund Indiana.

"The Manager and the Company" was Jack Marshall's subject at the Fire Insurance Club in Chicago. He was 30-years full on the subject.

At the recent meeting of the Eastern Union an expression of sympathy was worded and sent to President Duncan of the Franklin Fire.

Among American fire companies the Continental has for several years ranked second in assets and surplus to policyholders.

For many years the Hartford Fire has ranked first in volume of American fire premiums, amount at risk and fire losses paid since organization.

Glazer Bros. tobacco merchants, San Francisco, fire s. w. cor. Merchant and Montgomery sts., December 2, 1913.

Royal Exchange Assurance

OF LONDON

Incorporated by Royal Charter A. D. 1720

Total Assets Exceed \$32,000,000.00

A Successful Record of Nearly Two Hundred Years.

Losses Paid During That Time Exceed

\$225,000,000.00

United States Branch, 92 William St., New York City

R. D. HARVEY, United States Mgr.

LAWRENCE F. LAMPING, State Agent

For Oregon, Washington and Northern Idaho

310 BURKE BUILDING, SEATTLE

CANTON Insurance Office

(LIMITED)

OF HONGKONG, CHINA

Capital paid up (Gold)	\$ 250,000 00
Cash Assets (Gold)	2,096,766 26
Net Surplus over Capital (Gold)	1,357,229 46
On deposit in the United States, (registered U. S. bonds)	200,000 00

The above Company conducts
a general Marine Insurance
business.

PARROTT & CO., General Agents
Since January, 1882

J. J. THEOBALD, Manager
320 California Street, San Francisco
[Babcock Building]

PHOENIX

Assurance Company, Ltd.

Of London

ESTABLISHED 1782

W. IRVING

General Agent for Pacific Coast

R. GALLEGOS

Assistant General Agent

343 SANSOME STREET

Security Building
(Entrance on Halleck Street)

San Francisco

The Employers' Liability Assurance Corporation, Ltd.

OF LONDON

HEAD OFFICE FOR UNITED STATES:

Employers' Liability Building
33 Broad St., Boston

SAMUEL APPLETON, U. S. Manager

Accident Policies

Of all kinds at very low rates. Employers Liability Policies indemnifying employers against claims for accidents to employes. Individual, Fidelity Bonds and Accident Policies. Workmen's Benefit Policies. Vehicle Insurance. General Liability Policies on buildings. Elevator insurance.

CHAS. J. OKELL & CO.

General Agents, - - San Francisco, Cal.
Royal Insurance Building

**NORTHERN
LIFE**

Insurance Company

**LIFE
HEALTH
ACCIDENT**

3 IN 1

An OLD LINE Company
with NEW LINE Ideas.

**POLICY
PROVIDING
PERFECT
ROTECTION**

Life Premiums Cease if Permanently Disabled.
Monthly Indemnities. Guaranteed Dividends.

HOME OFFICE
SEATTLE
U. S. A.

\$200,000.00 Deposited With State Treasurer
Reserves and Surplus to Policyholders over **\$500,000.00**

President, Hon. GEO. A. COX.
Vice President, W. R. BROCK.

General Manager
W. B. MEIKLE

WESTERN ASSURANCE CO.
OF TORONTO (INCORPORATED 1851)

United States Assets	\$2,464,562.05
Liabilities in United States	1,446,243.42
<i>Surplus</i>	\$1,018,318.63

PACIFIC COAST DEPARTMENT
129 LEIDESDORFF STREET - - - SAN FRANCISCO
MILLER, SCOTT & HENLEY, Managers.

Total Assets Represented over **\$20,000,000**

Svea
Insurance Company
of Gothenburg

Agricultural
Insurance Company
Watertown, N. Y.

Globe & Rutgers Fire
Insurance Company
of New York

Hamilton Fire
Insurance Company
of New York

Globe Underwriters
of New York

EDWARD BROWN & SONS
General Agents Pacific Coast Departmen
202 - 204 Sansome St., San Francisco

22,000 EDITION

It Is for All Local Agents

10th EDITION

Pacific Fire Manual

(formerly the Otey Manual)

PRICE \$1.50

Recommended by General, Special
and Local Agents

For Sale by the Coast Review

Statements showing the standing of the

CALEDONIAN INSURANCE COMPANY		Of Edinburgh
The oldest Scottish Fire Office (Organized 1805)		
Capital	\$5,078,365 32	Assets, \$19,557,563 20
Capital, paid up	537,500 00	Net Surplus 2,230,403 19

CALEDONIAN-AMERICAN INSURANCE COMPANY		Of New York
Capital . . . \$200,000 00	Cash Assets . . . \$253,114 00	Surplus to Policyholders . . . \$238,104 00

THE SCOTCH UNDERWRITERS

Assets	\$19,557,563 20	Net Surplus	\$2,230,405 19
------------------	-----------------	-----------------------	----------------

Pacific Department Office: 430 California Street, San Francisco.

A. C. OLDS, Manager

BALFOUR, GUTHRIE & CO., Pacific Coast Directors

Pacific Surety Company

OF SAN FRANCISCO, CALIFORNIA

*Accident and Health
Plate Glass*

*Employers' Liability
Workmen's Compensation*

INSURANCE THAT INSURES

C. H. CRAWFORD,
PRESIDENT

ESTABLISHED
1885

The London Assurance Corporation

OF LONDON

Cash Assets, **\$24,899,825.00**

The London Underwriters

SPECIAL AGENTS — C. W. ROHRER, Los Angeles, Cal.; ROD E. SMITH, Portland, Oregon;
T. S. HEATH, Denver; J. E. JOHNSON, Spokane; P. R. WEINMANN, B. L. PENFIELD, San Francisco;
PERCY J. PERRY, Seattle.

A. W. THORNTON, Manager

J. M. MENDELL, Assistant Manager

G. E. GOGGIN, City Manager

WM. HACKETT, Supt. of Agents

Pacific Branch—Southeast corner Sansome and Pine Sts., San Francisco

AUTOMOBILE

California's new auto law goes into effect in a few days. All fines will then go into the road funds of the counties arresting and assessing. Every car must conform to the law after January 1. License numbers must be exposed

in both the front and the back of the car, at least 16 inches from the ground.

In 1912 no fewer than 691 people in this country were killed in automobile accidents. This is nearly three times the number of passengers killed in railway accidents in the same time.

ONE HUNDRED AND FOUR YEARS OLD

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

Of London and Edinburgh

Pacific Department of the United States Branch, 76 William St., New York City

ASSETS OF THE UNITED STATES BRANCH
(which are but a small part of total fire assets of the Co.) **\$9,139,794.00**

E. G. RICHARDS, Manager

W. S. BERDAN, General Agent, Pacific Dept.

GEORGE M. WARD, Resident Secretary, Local Dept.

234 Pine Street, San Francisco, California

Field Representatives

E. J. YOUNG, 201 American Bank Building, Seattle, Washington—WESTERN WASHINGTON
OREGON, MONTANA.

P. W. GEDNEY, 504 Empire State Bldg., Spokane, Washington—EASTERN OREGON, EASTERN
WASHINGTON, IDAHO, MONTANA.

E. C. WILLEY, 1645 Tremont Street, Denver, Colorado—COLORADO, NEW MEXICO, UTAH
WYOMING.

CHAS. HARRIS, 515 Title Insurance Building, Los Angeles, California—SOUTHERN CALIFORNIA,
and ARIZONA.

G. W. DEARBORN, 234 Pine Street, San Francisco—CENTRAL CALIFORNIA.

F. J. SCHOENEMAN, 234 Pine St., San Francisco, California—NORTHERN CALIFORNIA, NEVADA.

H. E. SMITH, 224 Henry Bldg., Portland, Ore.—OREGON.

C. F. MILLIMAN, General Inspector, Improved Risk Department, 234 Pine Street, SAN
FRANCISCO, CALIFORNIA.

AGENTS WANTED

Every Company that advertises wants Permanent Agents. Have you any business? Are you about to change companies? Are you newly engaged in Insurance? Do you intend to go into the business?

THEN

Hustle! Get busy! Write to our Advertisers. Don't be verbose nor uncertain. Don't write from Los Angeles or Portland or Seattle and ask some big company, Are you represented here? Of course the company is represented there. Probably it is represented everywhere. But it may be contemplating a change, or its present agent may be flirting with the special of another company.

It Will Do No Harm

to get on the waiting list. It is legitimate for you to write modestly, "Consider me an applicant if you want another agent here." "I control \$ — in premiums." "My business is chiefly —." "I want a company, and if you are unrepresented in this town or contemplate a change of representation let me submit particulars to you."

If you can write some life or accident business on the side or exclusively, the live companies which advertise are

Looking For You

They will give you the glad hand and the warm eye They will pay you a handsome commission, too.

Scottish Union and National

*Insurance Company
Of Great Britain.*

Organized 1824.

North American Branch:

Hartford, Conn.

JAMES H. BREWSTER

MANAGER.

FIELD REPRESENTATIVES:

FRED W. GASTON, Tacoma, Wash.,
Oregon, Washington, British Columbia.

JOHN M. HOPKINS, State Agent,

JOHN L. REAMS, Special Agent,

706 Gas and Electric Bldg., Denver, Colo.,
Colorado, Wyoming, New Mexico, Utah,

H. C. EDMUNDSON, Realty Building,
Spokane, Wash.,

Montana and Idaho

H. W. FORES, San Francisco, Cal.,

General Agent, California, Nevada, Arizona.

SAN FRANCISCO OFFICE:

409 California Street

HOME LIFE INSURANCE COMPANY
OF NEW YORK

—The Fifty-third Annual Statement of the Home Life Insurance Company, of which Geo. E. Ide is President, shows that most satisfactory progress has been made during the past year; that the gain in insurance in force is over five and one-half millions, the amount in force being now nearly \$111,000,000. After providing for the various funds for the protection of the policy obligations, there remains upon a most conservative basis of valuation a surplus of nearly two millions, over and above the fund of two and one-half millions which is set apart for deferred dividends, an item ordinarily included in the surplus account. The payments to policyholders during the year amounted to nearly three millions, including over half a million dollars in dividends to policyholders.

—“The Come'l & Fin'cl Chron.” 1-25-13.

For Agency apply to

GEO. W. MURRAY, Supt. o Agts.,
256 BROADWAY, NEW YORK, N. Y.

The FRANKFORT
General Insurance Co.

Established 1865 Entered United States 1896
U. S. Department, 123 William St., New York, N. Y.

Liability
Workmen's Collective
Workmen's Compensation
Burglary
Personal Accident and Health
Industrial Accident and Health

Agents Wanted For Unoccupied Territory
Apply to New York office or to

WALTER A. CHOWEN,
Pacific Coast General Agent
340 Sansome Street San Francisco

AGENTS WANTED

—
To Solicit Subscriptions for The Coast Review, now in its 42d year. Good commissions. Sample Copies sent in advance. Will pay well any active man. Special offerings. Write Publisher for further particulars.

National Union
Fire Insurance Company
of Pittsburg, Pa.

Cash Capital,	- - - - -	\$1,000,000.00
Surplus to Policyholders,	- - - - -	1,545,227.00
Assets,	- - - - -	4,136,638.00

METROPOLITAN DEPARTMENT
SAN FRANCISCO

604 Merchants Exchange Building
DIXWELL DAVENPORT, **E. C. DIETZ,**
MANAGER ASS'T MANAGER
FIELD REPRESENTATIVES:
R. R. Roper, NORTHERN CALIFORNIA
604 Merchants Exchange Bldg, San Francisco
Wm. M. Stodghill, SOUTHERN CALIFORNIA
302 Stimson Building, Los Angeles, Cal.

Life President Robbed

Three robbers effected a daring hold-up of an automobile party in New York city, taking money and jewelry from Cornelius Doremus, president of the Germania Life Insurance Company; a young woman companion and the chauffeur. The stolen property was valued at \$2,000. The masked men jumped from underbrush beside the Pelham Parkway, and by using their revolvers they brought the motoring party to a stop. Doremus was beaten over the head and forced to hand over his watch and money. The young woman fainted as the robbers tore two valuable rings from her hands.—Press dispatch.

Floor Oil Explodes.—Fire broke out amounting to \$100. The fire was due in the real estate office of the Mason-McDuffie Co., 80 Post street, San Francisco, early Dec. 7, causing damage to an explosion of a floor oil preparation which the janitor was applying to the floor. He was badly burned.

THE BEST COMPANY TO WORK FOR

is one which is making the most rapid progress because, among other good points, it grants the most complete protection to policyholders through combinations of Life insurance, Permanent Disability insurance, and Weekly Indemnity for loss of time.

For agencies address

THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY
Boston, Mass.

ARTHUR E. CHILDS, President
 WILLIAM C. JOHNSON, Vice-President and General Manager

Union Assurance Society, Ltd.

1714

OF LONDON

1913

Assets, \$6,000,000.00

CATTON, BELL & CO., General Agents

R. C. MEDCRAFT,
 Manager

JOHN E. COSGROVE,
 Ass't Manager

454 CALIFORNIA ST., SAN FRANCISCO

SPECIAL AGENTS:—WM. M. PATTERSON, Portland
 F. F. RICHARDS, Los Angeles

I. M. FISHER, Jr., Spokane
 F. A. STAHL, Sacramento

ORGANIZED 1797

The Norwich Union Fire Insurance Society, Ltd.

Of Norwich, Eng.

ASSETS OVER \$10,000,000 LOSSES PAID OVER \$100,000,000

Northwestern Fire and Marine Insurance Co.,

Of Minneapolis, Minn.

Assets, - \$995,596 Capital, - \$300,000 Surplus, - \$334,591

PACIFIC DEPARTMENT

J. L. FULLER, Manager

332 Pine Street.

SAN FRANCISCO

Pacific Coast Department

Aachen & Munich

Fire Insurance Company

430 California St., - - San Francisco, Cal.

A. C. OLDS, Manager

CONNECTICUT

Fire Insurance Co. of Hartford

Established 1850

SIXTY-THIRD ANNUAL STATEMENT

CAPITAL STOCK,	\$1,000,000
SURPLUS TO POLICYHOLDERS,	3,266,021
TOTAL CASH ASSETS,	7,735,110

BENJAMIN J. SMITH

Manager Pacific Department

431 California Street - - - San Francisco

PACIFIC DEPARTMENT

SPRINGFIELD

F. & M. Ins. Co.
of Springfield, Mass.

Largest Fire Insurance Company Chartered by
the State of Massachusetts
Incorporated 1849

Total Assets	\$ 10,407,847 65
Total Liabilities	7,537,140 04
Net Surplus	2,870,707 61

SURPLUS TO POLICYHOLDERS, \$4,870,707.61

NEWARK

Fire Ins. Co.
of Newark, N. J.

Oldest Fire Insurance Company Chartered by
the State of New Jersey
Incorporated 1811

Total Assets	\$ 1,870,656 00
Total Liabilities	1,010,774 70
Net Surplus	859,881 30

SURPLUS TO POLICYHOLDERS, \$1,359,881.30

OFFICE: KOHL BUILDING,

Corner California and Montgomery Streets, San Francisco

GEORGE W. DORNIN, *Manager* JOHN C. DORNIN, *Asst. Manager*

SUPERINTENDENTS OF AGENCIES

J. F. R. WEBBER GEO. C. CODDING L. B. ROGERS J. E. CRANDALL C. H. ANDERSON
FRANK H. YOUNG

Suffragist fire losses in Great Britain million dollars. These English ladies
in October amounted to more than a are warm people.

THE FIDELITY & CASUALTY CO. OF NEW YORK

92 Liberty Street, New York, N. Y.

SEMI-ANNUAL STATEMENT, JUNE 30, 1913

Assets	\$10,824,349 81
Liabilities	7,903,328 86
Capital	1,000,000 00
Surplus over all liabilities	1,921,020 95
Losses Paid to June 30, 1913	42,907,985 38

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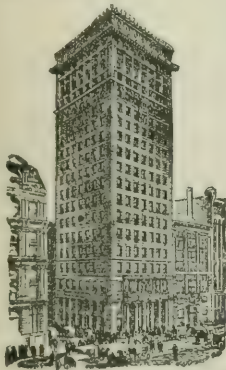
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California will ship something like 40,000 carloads of oranges this season, Tulare county alone shipping 5,000 carloads.

MISCELLANEOUS MATTERS

What Are Sardines? Pilchard Or Sprat?

London Times

At Bow-street police court the hearing was continued of the case in which Messrs. Angus Watson & Co., of Newcastle, are sued by M. Lemy, a French sardine packer, who is secretary of a French trade organization representing over seventy large French packers, "for selling goods to which a false description was applied." The contention of the plaintiffs is that defendants only sold the sprat and the bristling as the sardine.

Mr. C. D. Regan, curator of the fish department at the Natural History Museum, South Kensington, in answer to Mr. Bódkin, who appeared for the complainant, said the pilchard was larger than the sprat and was of a browner color. Witness said the word "sardine" was the equivalent for "pilchard" in French, and "sardine" came into English use because the French packers sent that fish over to this country. He had personally tried "skipper sardines" and afterwards found that they were sprats, but there were different kinds of sprats, although the resemblance between the Mediterranean and the Atlantic sprat was very close.

Cross-examined by Mr. Walter, K. C., who appeared for the defendants, witness said he did not know that the Dutch had for centuries called the sprat the sardine.

Mr. M. Dunn, carrying on business in Cornwall, in buying and curing pilchards and exporting them to Italy, said he had never heard of sprats being sold as sardines apart from the present case. He knew the "skipper sardines" were not true sardines, because there was a difference in the structure of the fish, and there was, he should think, also a difference in the preparation.

The sale of sprats as sardines would have a detrimental effect on the fish trade generally.

Cross-examined, witness said the real trouble was the low price of Portuguese fish and the low grade of the fish. He knew that the greater quantity of sardine oil came from Japan, and he knew it was quite a common practice to foist on customers other fish resembling that ordered.

Sir Edward Hain, ex-M. P. for the St. Ives Division of Cornwall, and for some years vice-chairman of the Sea Fisheries Committee, said the sardine was an immature pilchard, and he had never heard of any other fish being called the sardine. To him a sprat would not be a sardine.

M. De Rossi, manager of Gatti's Restaurant, said he recognized a sardine by its flesh, skin, bone and flavour, which were different from that of a sprat. A sprat in oil did not become a sardine.

The Chief Inspector of the Fishmongers' Company in London said in his opinion the sprat and the sardine, which was a small pilchard, were quite distinct. The "skipper sardines" were sprats, in his opinion, although his only acquaintance with sardines was when he seized tins which came to the English market from France.

Auguste Oddennino said he had been in the restaurant business in this country since 1889. At the present time he was using about 15,000 boxes of sardines a year. A genuine sardine was a silver colour, and a light blue underneath; the flesh being of the colour of cafe-au-lait. There was a marked difference between a sardine and a sprat. Sardines were always known as anchovies until they began to be cured in oil. He could not say exactly when they changed their name.

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UNDIVIDED PROFITS	2,486,705 00

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